



भारत का यजपत्र The Gazette of India

असाधारण

EXTRAORDINARY

भाग II — खण्ड 2

PART II — Section 2

प्राधिकार से प्रकाशित

PUBLISHED BY AUTHORITY

सं 1]

नई दिल्ली, सोमवार, फरवरी 28, 2005 / ९ फाल्गुन, 1926

No. 1]

NEW DELHI, MONDAY, FEBRUARY 28, 2005 / 9 PHALGUNA, 1926

इस भाग में भिन्न पृष्ठ संख्या दी जाती है जिससे कि यह अलग संकलन के रूप में रखा जा सके।
Separate paging is given to this Part in order that it may be filed as a separate compilation.

LOK SABHA

The following Bill was introduced in the Lok Sabha on 28th February, 2005:—

BILL NO. 35 OF 2005

A Bill to give effect to the financial proposals of the Central Government for the financial year 2005-2006.

BE it enacted by Parliament in the Fifty-sixth Year of the Republic of India as follows:—

CHAPTER I

PRELIMINARY

1. (1) This Act may be called the Finance Act, 2005.

(2) Save as otherwise provided in this Act, sections 2 to 64 shall be deemed to have come into force on the 1st day of April, 2005.

Short title
and
commencement.

Income-tax.

CHAPTER II

RATES OF INCOME-TAX

2. (1) Subject to the provisions of sub-sections (2) and (3), for the assessment year commencing on the 1st day of April, 2005, income-tax shall be charged at the rates specified in Part I of the First Schedule and such tax as reduced by the rebate of income-tax calculated under Chapter VIII-A of the Income-tax Act, 1961 (hereinafter referred to as the Income-tax Act) shall be increased by a surcharge for purposes of the Union calculated in each case in the manner provided therein.

(2) In the cases to which Paragraph A of Part I of the First Schedule applies, where the assessee has, in the previous year, any net agricultural income exceeding five thousand rupees, in addition to total income, and the total income exceeds fifty thousand rupees, then,—

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after the first fifty thousand rupees of the total income but without being liable to tax], only for the purpose of charging income-tax in respect of the total income; and

(b) the income-tax chargeable shall be calculated as follows:—

- (i) the total income and the net agricultural income shall be aggregated and the amount of income-tax shall be determined in respect of the aggregate income at the rates specified in the said Paragraph A, as if such aggregate income were the total income;
- (ii) the net agricultural income shall be increased by a sum of fifty thousand rupees, and the amount of income-tax shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Paragraph A, as if the net agricultural income as so increased were the total income;
- (iii) the amount of income-tax determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax in respect of the total income:

Provided that the amount of income-tax so arrived at, as reduced by the amount of rebate of income-tax calculated under Chapter VIII-A, shall be increased by a surcharge for purposes of the Union calculated in each case in the manner provided in that Paragraph and the sum so arrived at shall be the income-tax in respect of the total income.

(3) In cases to which the provisions of Chapter XII or Chapter XII-A or section 115JB or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act apply, the tax chargeable shall be determined as provided in that Chapter or that section, and with reference to the rates imposed by sub-section (1) or the rates as specified in that Chapter or section, as the case may be:

Provided that the amount of income-tax computed in accordance with the provisions of section 111A or section 112 shall be increased by a surcharge for purposes of the Union as provided in Paragraph A, B, C, D or E, as the case may be, of Part I of the First Schedule:

Provided further that in respect of any income chargeable to tax under sections 115A, 115AB, 115AC, 115ACA, 115AD, 115B, 115BB, 115BBA, 115E and 115JB of the Income-tax Act, the amount of income-tax computed under this sub-section shall be increased by a surcharge for purposes of the Union, calculated,—

(a) in the case of every individual, Hindu undivided family, association of persons and body of individuals, whether incorporated or not, at the rate of ten per cent. of such income-tax where the total income exceeds eight hundred and fifty thousand rupees;

(b) in the case of every co-operative society, firm, local authority and company, at the rate of two and one-half per cent. of such income-tax;

(c) in the case of every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, at the rate of ten per cent. of such income-tax.

(4) In cases in which tax has to be charged and paid under section 115-O or sub-section (2) of section 115R of the Income-tax Act, the tax shall be charged and paid at the rate as specified in those sections and shall be increased by a surcharge for purposes of the Union, calculated at the rate of ten per cent. of such tax.

(5) In cases in which tax has to be deducted under sections 193, 194, 194A, 194B, 194BB, 194D and 195 of the Income-tax Act, at the rates in force, the deductions shall be made at the rates specified in Part II of the First Schedule and shall be increased, by a surcharge for purposes of the Union, calculated in each case, in the manner provided therein.

(6) In cases in which tax has to be deducted under sections 194C, 194E, 194EE, 194F, 194G, 194H, 194-I, 194J, 194LA, 196B, 196C and 196D of the Income-tax Act, the deductions shall be made at the rates specified in those sections and shall be increased by a surcharge for purposes of the Union, calculated,—

(a) in the case of every individual, Hindu undivided family, association of persons and body of individuals, whether incorporated or not, at the rate of ten per cent. of such tax where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds ten lakh rupees;

(b) in the case of every firm, artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, and domestic company, at the rate of ten per cent. of such tax;

(c) in the case of every company, other than domestic company, at the rate of two and one-half per cent. of such tax.

(7) In cases in which tax has to be collected under the proviso to section 194B of the Income-tax Act, the collection shall be made at the rates specified in Part II of the First Schedule, and shall be increased, by a surcharge for purposes of the Union, calculated in the manner provided therein.

(8) In cases in which tax has to be collected under section 206C of the Income-tax Act, the collection shall be made at the rates specified in that section and shall be increased by a surcharge for purposes of the Union, calculated,—

(a) in the case of every individual, Hindu undivided family, association of persons and body of individuals, whether incorporated or not, at the rate of ten per cent. of such tax where the amount or the aggregate of such amounts collected, and subject to the collection, exceeds ten lakh rupees;

(b) in the case of every firm, artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, and domestic company, at the rate of ten per cent. of such tax;

(c) in the case of every company, other than domestic company, at the rate of two and one-half per cent. of such tax.

(9) Subject to the provisions of sub-section (10), in cases in which income-tax has to be charged under sub-section (4) of section 172 or sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the Income-tax Act or deducted from, or paid on, income chargeable under the head "Salaries" under section 192 of the said Act or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed at the rate or rates in force, such income-tax or, as the case may be, "advance tax" shall be so charged, deducted or computed at the rate or rates specified in Part III of the First Schedule and such tax as reduced by the rebate of income-tax calculated under Chapter VIII-A of the said Act shall be increased by a surcharge for purposes of the Union, calculated in each case in the manner provided therein:

Provided that in cases to which the provisions of Chapter XII or Chapter XII-A or Chapter XII-H or section 115JB or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act apply, "advance tax" shall be computed with reference to the rates imposed by this sub-section or the rates as specified in that Chapter or section, as the case may be:

Provided further that the amount of "advance tax" computed in accordance with the provisions of section 111A or section 112 of the Income-tax Act shall be increased by a surcharge for purposes of the Union as provided in Paragraph A, B, C, D or E, as the case may be, of Part III of the First Schedule:

Provided also that in respect of any income chargeable to tax under sections 115A, 115AB, 115AC, 115ACA, 115AD, 115B, 115BB, 115BBA, 115E, 115JB and 115WA of the Income-tax Act, "advance tax" computed under the first proviso shall be increased by a surcharge for purposes of the Union, calculated,—

(a) in the case of every individual, Hindu undivided family, association of persons and body of individuals, whether incorporated or not, at the rate of ten per cent. of "advance tax" where the total income exceeds ten lakh rupees;

(b) in the case of every firm, artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, and domestic company, at the rate of ten per cent. of such "advance tax";

(c) in the case of every company, other than domestic company, at the rate of two and one-half per cent. of such "advance tax".

(10) In cases to which, Paragraph A of Part III of the First Schedule applies, where the assessee has, in the previous year or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income of a period other than the previous year, in such other period, any net agricultural income exceeding five thousand rupees, in addition to total income and the total income exceeds one lakh rupees, then, in charging income-tax under sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the said Act or in computing the "advance tax" payable under Chapter XVII-C of the said Act, at the rate or rates in force,—

(a) the net agricultural income shall be taken into account, in the manner provided in clause (b) [that is to say, as if the net agricultural income were comprised in the total income after the first one lakh rupees of the total income but without being liable to tax], only for the purpose of charging or computing such income-tax or, as the case may be, "advance tax" in respect of the total income; and

(b) such income-tax or, as the case may be, "advance tax" shall be so charged or computed as follows:—

(i) the total income and the net agricultural income shall be aggregated and the amount of income-tax or "advance tax" shall be determined in respect of the aggregate income at the rates specified in the said Paragraph A, as if such aggregate income were the total income;

(ii) the net agricultural income shall be increased by a sum of one lakh rupees, and the amount of income-tax or "advance tax" shall be determined in respect of the net agricultural income as so increased at the rates specified in the said Paragraph A, as if the net agricultural income were the total income;

(iii) the amount of income-tax or "advance tax" determined in accordance with sub-clause (i) shall be reduced by the amount of income-tax or, as the case may be, "advance tax" determined in accordance with sub-clause (ii) and the sum so arrived at shall be the income-tax or, as the case may be, "advance tax" in respect of the total income:

Provided that the amount of income-tax or "advance tax" so arrived at, as reduced by the rebate of income-tax calculated under Chapter VIII-A of the said Act, shall be increased by a surcharge for purposes of the Union calculated in each case, in the manner provided therein.

(11) The amount of income-tax as specified in sub-sections (1) to (10) and as increased by a surcharge for purposes of the Union calculated in the manner provided therein, shall be further increased by an additional surcharge for purposes of the Union, to be called the "Education Cess on income-tax", so as to fulfil the commitment of the Government to provide and finance universalised quality basic education, calculated at the rate of two per cent. of such income-tax and surcharge.

(12) For the purposes of this section and the First Schedule,—

(a) "domestic company" means an Indian company or any other company which, in respect of its income liable to income-tax under the Income-tax Act for the assessment

year commencing on the 1st day of April, 2005, has made the prescribed arrangements for the declaration and payment within India of the dividends (including dividends on preference shares) payable out of such income;

(b) "insurance commission" means any remuneration or reward, whether by way of commission or otherwise, for soliciting or procuring insurance business (including business relating to the continuance, renewal or revival of policies of insurance);

(c) "net agricultural income", in relation to a person, means the total amount of agricultural income, from whatever source derived, of that person computed in accordance with the rules contained in Part IV of the First Schedule;

(d) all other words and expressions used in this section and the First Schedule but not defined in this sub-section and defined in the Income-tax Act shall have the meanings respectively assigned to them in that Act.

CHAPTER III

DIRECT TAXES

Income-tax

3. In section 2 of the Income-tax Act, with effect from the 1st day of April, 2006,-

Amendment
of section 2.

(a) in clause (7), in sub-clause (a), for the words "assessment of his income", the words "assessment of his income or assessment of fringe benefits" shall be substituted;

(b) after clause (23A), the following clause shall be inserted, namely:-

'(23B) "fringe benefits" means any fringe benefits referred to in section 115WB;';

(c) in clause (42A), in the proviso, after the words, brackets, figures and letter "clause (23D) of section 10", the words "or a zero coupon bond" shall be inserted;

(d) in clause (43), after the words "the aforesaid date", the words, figures and letters "and in relation to the assessment year commencing on the 1st day of April, 2006, and any subsequent assessment year includes the fringe benefit tax payable under section 115WA" shall be inserted;

(e) in clause (47), after sub-clause (iv), the following sub-clause shall be inserted, namely:-

"(iv) the maturity or redemption of a zero coupon bond; or";

(f) after clause (47) and the *Explanation* relating thereto, the following shall be inserted, namely:-

'(48) "zero coupon bond" means a bond—

(a) issued by any infrastructure capital company or infrastructure capital fund or public sector company on or after the 1st day of June, 2005;

(b) in respect of which no payment and benefit is received or receivable before maturity or redemption from infrastructure capital company or infrastructure capital fund or public sector company; and

(c) which the Central Government may, by notification in the Official Gazette, specify in this behalf.

Explanation.—For the purposes of this clause, the expressions "infrastructure capital company" and "infrastructure capital fund" shall have the same meanings respectively assigned to them in clauses (a) and (b) of *Explanation I* to clause (23G) of section 10.'

4. In section 10 of the Income-tax Act, with effect from the 1st day of April, 2006,-

Amendment
of section 10.

(a) in clause (4), in sub-clause (ii), the second proviso shall be omitted;

(b) in clause (6BB), for the words, figures and letters "entered into after the 31st day of March, 2005", the words, figures and letters "entered into after the 30th day of September, 2005" shall be substituted;

(c) in clause (10D), in sub-clause (c), in the second proviso, for the words, brackets, figures and letter "Explanation to sub-section (2A) of section 88", the words, brackets, figures and letters "Explanation to sub-section (3) of section 80C or the Explanation to sub-section (2A) of section 88, as the case may be" shall be substituted;

(d) in clause (15), in sub-clause (iv), in item (fa), the words, figures and letters "before the 1st day of April, 2005" shall be omitted;

(e) in clause (15A), in the proviso, for the words, figures and letters "the 1st day of April, 2005", the words, figures and letters "the 1st day of October, 2005" shall be substituted.

5. In section 10A of the Income-tax Act, in sub-section (1A), after clause (ii), the following proviso shall be inserted with effect from the 1st day of April, 2006, namely:—

"Provided that no deduction under this section shall be allowed to any undertaking, which begins to manufacture or produce articles or things or computer software after the 31st day of March, 2009, in any Special Economic Zone."

6. In section 16 of the Income-tax Act, clause (i) shall be omitted with effect from the 1st day of April, 2006.

7. In section 17 of the Income-tax Act, in clause (2), for sub-clause (vi), the following sub-clause shall be substituted, with effect from the 1st day of April, 2006, namely:—

"(vi) the value of any other fringe benefit or amenity (excluding the fringe benefits chargeable to tax under Chapter XII-H) as may be prescribed;".

8. In section 32 of the Income-tax Act, in sub-section (1),—

(a) for clause (iia), the following clause shall be substituted with effect from the 1st day of April, 2006, namely:—

'(iia) in the case of any new machinery or plant (other than ships and aircraft), which has been acquired and installed after the 31st day of March, 2005, by an assessee engaged in the business of manufacture or production of any article or thing, a further sum equal to twenty per cent. of the actual cost of such machinery or plant shall be allowed as deduction under clause (ii):

Provided that no deduction shall be allowed in respect of—

(A) any machinery or plant which, before its installation by the assessee, was used either within or outside India by any other person; or

(B) any machinery or plant installed in any office premises or any residential accommodation, including accommodation in the nature of a guest-house; or

(C) any office appliances or road transport vehicles; or

(D) any machinery or plant, the whole of the actual cost of which is allowed as a deduction (whether by way of depreciation or otherwise) in computing the income chargeable under the head "Profits and gains of business or profession" of any one previous year;';

(b) in clause (iii), in the Explanation, in clause (2), for the words "an Indian company", the words, brackets, letter and figures "an Indian company or in a scheme of amalgamation of a banking company, as referred to in clause (c) of section 5 of the Banking Regulation Act, 1949 with a banking institution as referred to in sub-section (15) of section 45 of the said Act, sanctioned and brought into force by the Central Government under sub-section (7) of section 45 of that Act, of any asset by the banking company to the banking institution" shall be substituted.

9. In section 33AC of the Income-tax Act, in sub-section (4), for the words "such sale proceeds", the words, brackets, letter and figure "so much of such sale proceeds which represent the amount credited to the reserve account and utilised for the purposes mentioned in clause (c) of sub-section (3)" shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2004.

Amendment
of section
10A.

Amendment
of section 16.

Amendment
of section 17.

Amendment
of section 32.

Amendment
of section
33AC.

10. In section 35 of the Income-tax Act, in sub-section (2A*B*), in clause (5), for the figures, letters and words "31st day of March, 2005", the figures, letters and words "31st day of March, 2007" shall be substituted with effect from the 1st day of April, 2006.

Amendment
of section 35.

11. In section 35DDA of the Income-tax Act, in sub-section (1), for the words "at the time of his voluntary retirement", the words "in connection with his voluntary retirement" shall be substituted and shall be deemed to have been substituted with effect from the 1st day of April, 2004.

Amendment
of section
35DDA.

12. In section 36 of the Income-tax Act, in sub-section (1), with effect from the 1st day of April, 2006,—

Amendment
of section 36.

(a) after clause (iii), the following shall be inserted, namely:—

'(iii) the *pro rata* amount of discount on a zero coupon bond having regard to the period of life of such bond calculated in the manner as may be prescribed.

Explanation.—For the purposes of this clause, the expressions—

(i) "discount" means the difference between the amount received or receivable by the infrastructure capital company or infrastructure capital fund or public sector company issuing the bond and the amount payable by such company or fund or public sector company on maturity or redemption of such bond;

(ii) "period of life of the bond" means the period commencing from the date of issue of the bond and ending on the date of the maturity or redemption of such bond;

(iii) "infrastructure capital company" and "infrastructure capital fund" shall have the same meanings respectively assigned to them in clauses (a) and (b) of *Explanation 1* to clause (23G) of section 10;'

(b) after clause (xii), the following shall be inserted, namely:—

'(xiii) any amount of banking cash transaction tax paid by the assessee during the previous year on the taxable banking transactions entered into by him.

Explanation.—For the purposes of this clause, the expressions "banking cash transaction tax" and "taxable banking transaction" shall have the same meanings respectively assigned to them under Chapter VII of the Finance Act, 2005.'

13. In section 40 of the Income-tax Act, in clause (a), after sub-clause (ib), the following sub-clause shall be inserted with effect from the 1st day of April, 2006, namely:—

Amendment
of section 40.

"(ic) any sum paid on account of fringe benefit tax under Chapter XII-H;".

14. In section 43 of the Income-tax Act, in clause (5), with effect from the 1st day of April, 2006,—

Amendment
of section 43.

(A) in the proviso,—

(i) in clause (c), the word "or" shall be inserted at the end;

(ii) after clause (c), as so amended, the following clause shall be inserted, namely:—

"(d) an eligible transaction in respect of trading in derivatives referred to in clause (aa) of section 2 of the Securities Contracts (Regulation) Act, 1956 carried out in a recognised stock exchange;"

(B) after the proviso, the following *Explanation* shall be inserted, namely:—

Explanation.—For the purposes of this clause, the expressions—

(i) "eligible transaction" means any transaction,—

(A) carried out electronically on screen-based systems through a stock broker or sub-broker or such other intermediary registered under section 12 of the Securities and Exchange Board of India Act, 1992 in accordance with the provisions of the Securities Contracts (Regulation) Act, 1956 or the Securities and Exchange Board of India Act, 1992 or the Depositories Act, 1996 and the rules, regulations or bye-laws made or directions issued under those Acts or by banks or mutual funds on a recognised stock exchange; and

(B) which is supported by a time stamped contract note issued by such stock broker or sub-broker or such other intermediary to every client indicating in the contract note the unique client identity number allotted under any Act referred to in sub-clause (A) and permanent account number allotted under this Act;

(ii) "recognised stock exchange" means a recognised stock exchange as referred to in clause (f) of section 2 of the Securities Contracts (Regulation) Act, 1956 and which fulfils such conditions as may be prescribed and notified by the Central Government for this purpose.'

42 of 1956.

Amendment of section 47. 15. In section 47 of the Income-tax Act, after clause (via), the following clause shall be inserted, namely:—

'(viia) any transfer, in a scheme of amalgamation of a banking company with a banking institution sanctioned and brought into force by the Central Government under sub-section (7) of section 45 of the Banking Regulation Act, 1949, of a capital asset by the banking company to the banking institution.

10 of 1949.

Explanation.—For the purposes of this clause,—

(i) "banking company" shall have the same meaning assigned to it in clause (c) of section 5 of the Banking Regulation Act, 1949;

10 of 1949.

(ii) "banking institution" shall have the same meaning assigned to it in sub-section (15) of section 45 of the Banking Regulation Act, 1949.'

10 of 1949.

Amendment of section 49. 16. In section 49 of the Income-tax Act, in sub-section (1), in clause (iii), in sub-clause (e), after the words, brackets, figures and letter "or clause (via)", the words, brackets, figures and letters "or clause (via) or clause (viia)" shall be inserted.

Amendment of section 54EC. 17. In section 54EC of the Income-tax Act, for sub-section (3), the following sub-section shall be substituted with effect from the 1st day of April, 2006, namely:—

"(3) Where the cost of the long-term specified asset has been taken into account for the purposes of clause (a) or clause (b) of sub-section (1),—

(a) a deduction from the amount of income-tax with reference to such cost shall not be allowed under section 88 for any assessment year ending before the 1st day of April, 2006;

(b) a deduction from the income with reference to such cost shall not be allowed under section 80C for any assessment year beginning on or after the 1st day of April, 2006".

Amendment of section 54ED. 18. In section 54ED of the Income-tax Act, for sub-section (3), the following sub-section shall be substituted with effect from the 1st day of April, 2006, namely:—

"(3) Where the cost of the specified equity shares has been taken into account for the purposes of clause (a) or clause (b) of sub-section (1),—

(a) a deduction from the amount of income-tax with reference to such cost shall not be allowed under section 88 for any assessment year ending before the 1st day of April, 2006;

(b) a deduction from the income with reference to such cost shall not be allowed under section 80C for any assessment year beginning on or after the 1st day of April, 2006".

Insertion of new section 72AA. 19. After section 72A of the Income-tax Act, the following section shall be inserted, namely:—

'72AA. Notwithstanding anything contained in sub-clauses (i) to (iii) of clause (1B) of section 2 or section 72A, where there has been an amalgamation of a banking company with any other banking institution under a scheme sanctioned and brought into force by the Central Government under sub-section (7) of section 45 of the Banking Regulation Act, 1949, the accumulated loss and the unabsorbed depreciation of such banking company shall be deemed to be the loss or, as the case may be, allowance for depreciation of such banking institution for the previous year in which the scheme of amalgamation was brought into force and other provisions of this Act relating to set-off and carry forward of loss and allowance for depreciation shall apply accordingly.

10 of 1949.

Provisions relating to carry forward and set-off of accumulated loss and unabsorbed depreciation allowance in scheme of amalgamation of banking company in certain cases.

Explanation.—For the purposes of this section,—

(i) “accumulated loss” means so much of the loss of the amalgamating banking company under the head “Profits and gains of business or profession” (not being a loss sustained in a speculation business) which such amalgamating banking company, would have been entitled to carry forward and set-off under the provisions of section 72 if the amalgamation had not taken place;

10 of 1949.
(ii) “banking company” shall have the same meaning assigned to it in clause (c) of section 5 of the Banking Regulation Act, 1949;

10 of 1949.
(iii) “banking institution” shall have the same meaning assigned to it in sub-section (15) of section 45 of the Banking Regulation Act, 1949;

(iv) “unabsorbed depreciation” means so much of the allowance for depreciation of the amalgamating banking company which remains to be allowed and which would have been allowed to such banking company if amalgamation had not taken place.’.

20. In section 73 of the Income-tax Act, in sub-section (4), for the words “eight assessment years”, the words “four assessment years” shall be substituted with effect from the 1st day of April, 2006.

Amendment
of section 73.

21. After section 80B of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2006, namely:—

‘80C. (1) In computing the total income of an assessee, being an individual or a Hindu undivided family, there shall be deducted, in accordance with and subject to the provisions of this section, the whole of the amount paid or deposited in the previous year, out of his income chargeable to tax, being the aggregate of the sums referred to in sub-section (2), as does not exceed one lakh rupees.

(2) The sums referred to in sub-section (1) shall be any sums paid or deposited in the previous year by the assessee—

(i) to effect or to keep in force an insurance on the life of persons specified in sub-section (4);

(ii) to effect or to keep in force a contract for a deferred annuity, not being an annuity plan referred to in clause (xii), on the life of persons specified in sub-section (4);

Provided that such contract does not contain a provision for the exercise by the insured of an option to receive a cash payment in lieu of the payment of the annuity;

(iii) by way of deduction from the salary payable by or on behalf of the Government to any individual being a sum deducted in accordance with the conditions of his service, for the purpose of securing to him a deferred annuity or making provision for his spouse or children, in so far as the sum so deducted does not exceed one-fifth of the salary;

19 of 1925.
(iv) as a contribution by an individual to any provident fund to which the Provident Funds Act, 1925, applies;

(v) as a contribution to any provident fund set up by the Central Government and notified by it in this behalf in the Official Gazette, where such contribution is to an account standing in the name of any person specified in sub-section (4);

(vi) as a contribution by an employee to a recognised provident fund;

(vii) as a contribution by an employee to an approved superannuation fund;

(viii) as subscription to any such security of the Central Government or any such deposit scheme as that Government may, by notification in the Official Gazette, specify in this behalf;

Insertion of
new section
80C.
Deduction in
respect of life
insurance
premia,
deferred
annuity,
contributions
to provident
fund,
subscription to
certain equity
shares or
debentures,
etc.

(ix) as subscription to any such savings certificate as defined in clause (c) of section 2 of the Government Savings Certificates Act, 1959, as the Central Government may, by notification in the Official Gazette, specify in this behalf;

46 of 1959.

(x) as a contribution, in the name of any person specified in sub-section (4), for participation in the Unit-linked Insurance Plan, 1971 (hereafter in this section referred to as the Unit-linked Insurance Plan) specified in Schedule II of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002;

58 of 2002.

(xi) as a contribution in the name of any person specified in sub-section (4) for participation in any such unit-linked insurance plan of the LIC Mutual Fund notified under clause (23D) of section 10, as the Central Government may, by notification in the Official Gazette, specify in this behalf;

(xii) to effect or to keep in force a contract for such annuity plan of the Life Insurance Corporation or any other insurer as the Central Government may, by notification in the Official Gazette, specify;

(xiii) as subscription to any units of any Mutual Fund notified under clause (23D) of section 10 or from the Administrator or the specified company under any plan formulated in accordance with such scheme as the Central Government may, by notification in the Official Gazette, specify in this behalf;

(xiv) as a contribution by an individual to any pension fund set up by any Mutual Fund notified under clause (23D) of section 10 or by the Administrator or the specified company, as the Central Government may, by notification in the Official Gazette, specify in this behalf;

(xv) as subscription to any such deposit scheme of, or as a contribution to any such pension fund set up by, the National Housing Bank established under section 3 of the National Housing Bank Act, 1987 (hereafter in this section referred to as the National Housing Bank), as the Central Government may, by notification in the Official Gazette, specify in this behalf;

53 of 1987.

(xvi) as subscription to any such deposit scheme of—

(a) a public sector company which is engaged in providing long-term finance for construction or purchase of houses in India for residential purposes; or

(b) any authority constituted in India by or under any law enacted either for the purpose of dealing with and satisfying the need for housing accommodation or for the purpose of planning, development or improvement of cities, towns and villages, or for both,

as the Central Government may, by notification in the Official Gazette, specify in this behalf;

(xvii) as tuition fees (excluding any payment towards any development fees or donation or payment of similar nature), whether at the time of admission or thereafter,—

(a) to any university, college, school or other educational institution situated within India;

(b) for the purpose of full-time education of any of the persons specified in sub-section (4);

(xviii) for the purposes of purchase or construction of a residential house property the income from which is chargeable to tax under the head "Income from house property" (or which would, if it had not been used for the assessee's own residence, have been chargeable to tax under that head), where such payments are made towards or by way of—

(a) any instalment or part payment of the amount due under any self-financing or other scheme of any development authority, housing board or other authority engaged in the construction and sale of house property on ownership basis; or

(b) any instalment or part payment of the amount due to any company or co-operative society of which the assessee is a shareholder or member towards the cost of the house property allotted to him; or

(c) repayment of the amount borrowed by the assessee from—

(1) the Central Government or any State Government, or

(2) any bank, including a co-operative bank, or

(3) the Life Insurance Corporation, or

(4) the National Housing Bank, or

(5) any public company formed and registered in India with the main object of carrying on the business of providing long-term finance for construction or purchase of houses in India for residential purposes which is eligible for deduction under clause (viii) of sub-section (1) of section 36, or

(6) any company in which the public are substantially interested or any co-operative society, where such company or co-operative society is engaged in the business of financing the construction of houses, or

(7) the assessee's employer where such employer is an authority or a board or a corporation or any other body established or constituted under a Central or State Act, or

(8) the assessee's employer where such employer is a public company or a public sector company or a university established by law or a college affiliated to such university or a local authority or a co-operative society; or

(d) stamp duty, registration fee and other expenses for the purpose of transfer of such house property to the assessee,

but shall not include any payment towards or by way of—

(A) the admission fee, cost of share and initial deposit which a shareholder of a company or a member of a co-operative society has to pay for becoming such shareholder or member; or

(B) the cost of any addition or alteration to, or renovation or repair of, the house property which is carried out after the issue of the completion certificate in respect of the house property by the authority competent to issue such certificate or after the house property or any part thereof has either been occupied by the assessee or any other person on his behalf or been let out; or

(C) any expenditure in respect of which deduction is allowable under the provisions of section 24;

(xix) as subscription to equity shares or debentures forming part of any eligible issue of capital approved by the Board on an application made by a public company or as subscription to any eligible issue of capital by any public financial institution in the prescribed form.

Explanation.—For the purposes of this clause,—

(i) "eligible issue of capital" means an issue made by a public company formed and registered in India or a public financial institution and the entire proceeds of the issue are utilised wholly and exclusively for the purposes of any business referred to in sub-section (4) of section 80-IA;

(ii) "public company" shall have the meaning assigned to it in section 3 of the Companies Act, 1956;

I of 1956.

(iii) "public financial institution" shall have the meaning assigned to it in section 4A of the Companies Act, 1956;

(xx) as subscription to any units of any mutual fund referred to in clause (23D) of section 10 and approved by the Board on an application made by such mutual fund in the prescribed form:

Provided that this clause shall apply if the amount of subscription to such units is subscribed only in the eligible issue of capital of any company.

Explanation.—For the purposes of this clause "eligible issue of capital" means an issue referred to in clause (i) of the *Explanation* to clause (xix) of sub-section (2).

(3) The provisions of sub-section (2) shall apply only to so much of any premium or other payment made on an insurance policy other than a contract for a deferred annuity as is not in excess of twenty per cent. of the actual capital sum assured.

Explanation.—In calculating any such actual capital sum assured, no account shall be taken—

(i) of the value of any premiums agreed to be returned, or

(ii) of any benefit by way of bonus or otherwise over and above the sum actually assured, which is to be or may be received under the policy by any person.

(4) The persons referred to in sub-section (2) shall be the following, namely:—

(a) for the purposes of clauses (i), (v), (x) and (xi) of that sub-section,—

(i) in the case of an individual, the individual, the wife or husband and any child of such individual, and

(ii) in the case of a Hindu undivided family, any member thereof;

(b) for the purposes of clause (ii) of that sub-section, in the case of an individual, the individual, the wife or husband and any child of such individual;

(c) for the purpose of clause (xvi) of that sub-section, in the case of an individual, any two children of such individual.

(5) Where, in any previous year, an assessee—

(i) terminates his contract of insurance referred to in clause (i) of sub-section (2), by notice to that effect or where the contract ceases to be in force by reason of failure to pay any premium, by not reviving contract of insurance,—

(a) in case of any single premium policy, within two years after the date of commencement of insurance; or

(b) in any other case, before premiums have been paid for two years; or

(ii) terminates his participation in any unit-linked insurance plan referred to in clause (x) or clause (xi) of sub-section (2), by notice to that effect or where he ceases to participate by reason of failure to pay any contribution, by not reviving his participation, before contributions in respect of such participation have been paid for five years; or

(iii) transfers the house property referred to in clause (xviii) of sub-section (2) before the expiry of five years from the end of the financial year in which possession of such property is obtained by him, or receives back, whether by way of refund or otherwise, any sum specified in that clause,

then,—

(a) no deduction shall be allowed to the assessee under sub-section (1) with reference to any of the sums, referred to in clauses (i), (x), (xi) and (xviii) of sub-section (2), paid in such previous year; and

(b) the aggregate amount of the deductions of income so allowed in respect of the previous year or years preceding such previous year, shall be deemed to be the income of the assessee of such previous year and shall be liable to tax in the assessment year relevant to such previous year.

(6) If any equity shares or debentures, with reference to the cost of which a deduction is allowed under sub-section (1), are sold or otherwise transferred by the assessee to any person at any time within a period of three years from the date of their acquisition, the aggregate amount of the deductions of income so allowed in respect of such equity shares or debentures in the previous year or years preceding the previous year in which such sale or transfer has taken place shall be deemed to be the income of the assessee of such previous year and shall be liable to tax in the assessment year relevant to such previous year.

Explanation.—A person shall be treated as having acquired any shares or debentures on the date on which his name is entered in relation to those shares or debentures in the register of members or of debenture-holders, as the case may be, of the public company.

(7) For the purposes of this section,—

- (a) the insurance, deferred annuity, provident fund and superannuation fund referred to in clauses (i) to (vii);
- (b) unit-linked insurance plan and annuity plan referred to in clauses (xii) to (xiii);
- (c) pension fund and subscription to deposit scheme referred to in clauses (xiic) to (xiv);
- (d) amount borrowed for purchase or construction of a residential house referred to in clause (xv).

of sub-section (2) of section 88 shall be eligible for deduction under the corresponding provisions of this section and the deduction shall be allowed in accordance with the provisions of this section.

(8) In this section,—

(i) "Administrator" means the Administrator as referred to in clause (a) of section 2 of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002;

(ii) "contribution" to any fund shall not include any sums in repayment of loan;

(iii) "insurance" shall include—

(a) a policy of insurance on the life of an individual or the spouse or the child of such individual or a member of a Hindu undivided family securing the payment of specified sum on the stipulated date of maturity, if such person is alive on such date notwithstanding that the policy of insurance provides only for the return of premiums paid (with or without any interest thereon) in the event of such person dying before the said stipulated date;

(b) a policy of insurance effected by an individual or a member of a Hindu undivided family for the benefit of a minor with the object of enabling the minor, after he has attained majority to secure insurance on his own life by adopting the policy and on his being alive on a date (after such adoption) specified in the policy in this behalf;

(iv) "Life Insurance Corporation" means the Life Insurance Corporation of India established under the Life Insurance Corporation Act, 1956;

(v) "public company" shall have the same meaning as in section 3 of the Companies Act, 1956;

(vi) "security" means a Government security as defined in clause (2) of section 2 of the Public Debt Act, 1944;

(vii) "specified company" means a company as referred to in clause (h) of section 2 of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002;

(viii) "transfer" shall be deemed to include also the transactions referred to in clause (f) of section 269UA.

58 of 2002.

31 of 1956.

1 of 1956.

18 of 1944.

58 of 2002.

Amendment of
section 80CCC.

22. In section 80CCC of the Income-tax Act, for sub-section (3), the following sub-section shall be substituted with effect from the 1st day of April, 2006, namely:—

“(3) Where any amount paid or deposited by the assessee has been taken into account for the purposes of this section,—

(a) a rebate with reference to such amount shall not be allowed under section 88 for any assessment year ending before the 1st day of April, 2006;

(b) a deduction with reference to such amount shall not be allowed under section 80C for any assessment year beginning on or after the 1st day of April, 2006.”.

Amendment of
section 80CCD.

23. In section 80CCD of the Income-tax Act, for sub-section (4), the following sub-section shall be substituted with effect from the 1st day of April, 2006, namely:—

“(4) Where any amount paid or deposited by the assessee has been allowed as a deduction under sub-section (1),—

(a) no rebate with reference to such amount shall be allowed under section 88 for any assessment year ending before the 1st day of April, 2006;

(b) no deduction with reference to such amount shall be allowed under section 80C for any assessment year beginning on or after the 1st day of April, 2006.”.

Insertion of
new section
80CCE.

24. After section 80CCD of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2006, namely:—

“80CCE. The aggregate amount of deductions under section 80C, section 80CCC and section 80CCD shall not, in any case, exceed one lakh rupees.”.

Limit on
deductions
under sections
80C, 80CCC
and 80CCD.

Substitution of
new section for
section 80E.

Deduction in
respect of
interest on
loan taken for
higher
education.

25. For section 80E of the Income-tax Act, the following section shall be substituted with effect from the 1st day of April, 2006, namely:—

‘80E. (1) In computing the total income of an assessee, being an individual, there shall be deducted, in accordance with and subject to the provisions of this section, any amount paid by him in the previous year, out of his income chargeable to tax, by way of interest on loan taken by him from any financial institution or any approved charitable institution for the purpose of pursuing his higher education.

(2) The deduction specified in sub-section (1) shall be allowed in computing the total income in respect of the initial assessment year and seven assessment years immediately succeeding the initial assessment year or until the interest referred to in sub-section (1) is paid by the assessee in full, whichever is earlier.

(3) For the purposes of this section,—

(a) “approved charitable institution” means an institution specified in, or, as the case may be, an institution established for charitable purposes and notified by the Central Government under clause (23C) of section 10 or an institution referred to in clause (a) of sub-section (2) of section 80G;

(b) “financial institution” means a banking company to which the Banking Regulation Act, 1949 applies (including any bank or banking institution referred to in section 51 of that Act); or any other financial institution which the Central Government may, by notification in the Official Gazette, specify in this behalf;

(c) “higher education” means full-time studies for any graduate or post-graduate course in engineering, medicine, management or for post-graduate course in applied sciences or pure sciences including mathematics and statistics;

(d) “initial assessment year” means the assessment year relevant to the previous year, in which the assessee starts paying the interest on the loan.”.

Amendment
of section
80-IA.

26. In section 80-IA of the Income-tax Act, in sub-section (4), in clause (i), in sub-clause (a), after the words “consortium of such companies”, the words “or by an authority or a board or a corporation or any other body established or constituted under any Central or State Act” shall be inserted with effect from the 1st day of April, 2006.

- 27.** In section 80-IB of the Income-tax Act, with effect from the 1st day of April, 2006,—
 (a) in sub-section (4), in the fourth proviso, for the figures, letters and words “31st day of March, 2005”, the figures, letters and words “31st day of March, 2007” shall be substituted;
 (b) in sub-section (8A), in clause (iii), for the figures, letters and words “1st day of April, 2005”, the figures, letters and words “1st day of April, 2007” shall be substituted.
- 28.** Section 80L of the Income-tax Act shall be omitted with effect from the 1st day of April, 2006.
- 29.** In section 88 of the Income-tax Act, after sub-section (8), the following sub-section shall be inserted with effect from the 1st day of April, 2006, namely:—
 “(9) No deduction from the amount of income-tax shall be allowed under this section to an assessee, being an individual or a Hindu undivided family for the assessment year beginning on the 1st day of April, 2006 and subsequent years.”.
- 30.** Section 88B of the Income-tax Act shall be omitted with effect from the 1st day of April, 2006.
- 31.** Section 88C of the Income-tax Act shall be omitted with effect from the 1st day of April, 2006.
- 32.** Section 88D of the Income-tax Act shall be omitted with effect from the 1st day of April, 2006.
- 33.** In section 112 of the Income-tax Act, in sub-section (1), in the proviso occurring below clause (d), after the words “being listed securities or unit”, the words “or zero coupon bond” shall be inserted with effect from the 1st day of April, 2006.
- 34.** In section 115A of the Income-tax Act, in sub-section (1), in clause (b), with effect from the 1st day of April, 2006,—
 (i) in sub-clause (A), for the words, figures and letters “agreement made after the 31st day of May, 1997”, the words, figures and letters “agreement made after the 31st day of May, 1997 but before the 1st day of June, 2005” shall be substituted;
 (ii) after sub-clause (A), the following sub-clause shall be inserted, namely:—
 “(AA) the amount of income-tax calculated on the income by way of royalty, if any, included in the total income, at the rate of ten per cent. if such royalty is received in pursuance of an agreement made on or after the 1st day of June, 2005;”;
 (iii) in sub-clause (B), for the words, figures and letters “agreement made after the 31st day of May, 1997; and”, the words, figures and letters “agreement made after the 31st day of May, 1997 but before the 1st day of June, 2005;” shall be substituted;
 (iv) after sub-clause (B), the following sub-clause shall be inserted, namely:—
 “(BB) the amount of income-tax calculated on the income by way of fees for technical services, if any, included in the total income, at the rate of ten per cent. if such fees for technical services are received in pursuance of an agreement made on or after the 1st day of June, 2005; and”.
- 35.** In section 115JAA of the Income-tax Act, with effect from the 1st day of April, 2006,—
 (a) after sub-section (1), the following sub-section shall be inserted, namely:—
 “(1A) Where any amount of tax is paid under sub-section (1) of section 115JB by an assessee, being a company for the assessment year commencing on the 1st day of April, 2006 and any subsequent assessment year, then, credit in respect of tax so paid shall be allowed to him in accordance with the provisions of this section.”;
 (b) in sub-section (2), for the words, brackets, figures and letters “under sub-section (1) of section 115JA”, the words, brackets, figures and letters “under sub-

Amendment of
section 80-IB.Omission of
section 80L.Amendment of
section 88.Omission of
section 88B.Omission of
section 88C.Omission of
section 88D.Amendment of
section 112.Amendment of
section 115A.Amendment of
section 115JAA.

section (1) of section 115JA or under sub-section (1) of section 115JB, as the case may be," shall be substituted.

Amendment of section 115VD. 36. In section 115VD of the Income-tax Act, clause (vii) shall be omitted with effect from the 1st day of April, 2006.

Insertion of new Chapter XII-H. 37. After Chapter XII-G of the Income-tax Act, the following Chapter shall be inserted with effect from the 1st day of April, 2006, namely:—

'CHAPTER XII-H'

INCOME-TAX ON FRINGE BENEFITS

A.—Meaning of certain expressions

Definitions.

115W. In this Chapter, unless the context otherwise requires,—

(a) "employer" means,—

(i) an individual or a Hindu undivided family engaged in a business or profession, the profits and gains whereof are assessable to income-tax under the head "Profits and gains of business or profession";

(ii) a company;

(iii) a firm;

(iv) an association of persons or a body of individuals, whether incorporated or not;

(v) a local authority; and

(vi) every artificial juridical person, not falling within any of the preceding sub-clauses;

(b) "fringe benefit tax" or "tax" means the tax chargeable under section 115WA.

B.—Basis of charge

Charge of fringe benefit tax.

115WA. (1) In addition to the income-tax charged under this Act, there shall be charged for every assessment year commencing on or after the 1st day of April, 2006, additional income-tax (in this Act referred to as fringe benefit tax) in respect of the fringe benefits provided or deemed to have been provided by an employer to his employees during the previous year at the rate of thirty per cent. on the value of such fringe benefits.

(2) Notwithstanding that no income-tax is payable by an employer on his total income computed in accordance with the provisions of this Act, the tax on fringe benefits shall be payable by such employer.

Fringe benefits.

115WB. (1) For the purposes of this Chapter, "fringe benefits" means—

(a) any privilege, service, facility or amenity, directly or indirectly, provided by an employer to his employees (including former employee or employees) by reason of their employment; or

(b) any reimbursement, directly or indirectly, made by the employer to his employees for any purpose;

(c) any free or concessional ticket provided by the employer for private journeys of his employees or their family members; and

(d) any contribution by the employer to an approved superannuation fund.

(2) The fringe benefits shall be deemed to have been provided, if the employer has, in the course of his business or profession (including any activity whether or not such activity is carried on with the object of deriving income, profits or gains) incurred any expense on, or made any payment for, the following purposes, namely:—

(A) entertainment;

(B) festival celebrations;

(C) gifts;

(D) use of club facilities;

(E) provision of hospitality of every kind by the employer to any person, whether by way of provision of food or beverages or in any other manner whatsoever and whether or not such provision is made by reason of any express or implied contract or custom or usage of trade but does not include expenditure on or payment for, food or beverages provided by the employer to his employees in office or factory;

(F) maintenance of any accommodation in the nature of guest house;

(G) conference;

(H) employee welfare;

(I) use of health club, sports and similar facilities;

(J) sales promotion including publicity;

(K) conveyance, tour and travel including foreign travel;

(L) hotel, boarding and lodging;

(M) repair, running and maintenance of motorcars;

(N) repair, running and maintenance of aircrafts;

(O) consumption of fuel other than industrial fuel;

(P) use of telephone;

(Q) scholarship to the children of the employees;

(3) For the purposes of sub-section (1), the privilege, service, facility or amenity does not include perquisites in respect of which tax is paid or payable by the employee under Chapter IV or any benefit or amenity in the nature of free or subsidised transport or any such allowance provided by the employer to its employees for journeys by the employees from their residence to the place of work or such place of work to the place of residence.

115WC. (1) For the purposes of this Chapter, the value of fringe benefits shall be the aggregate of the following, namely:—

Value of fringe
benefits.

(a) cost at which the benefits referred to in clause (c) of sub-section (1) of section 115WB, is provided by the employer to the public as reduced by the amount, if any, paid, or recovered from his employee or employees:

Provided that in a case where the expenses of the nature referred to in clause (c) of sub-section (1) of section 115WB are included in any other clause of sub-section (2) of the said section, the total expenses included under such other clause shall be reduced by the amount of expenditure referred to in the said clause (c) for computing the value of fringe benefits;

(b) actual amount of the contribution referred to in clause (D) of sub-section (1) of section 115WB;

(c) fifty per cent. of the expenses referred to in clauses (A) to (D) of sub-section (2) of section 115WB;

(d) fifty per cent. of the expenses referred to in clause (E) of sub-section (2) of section 115 WB.

Provided that in the case of an employer engaged in the business of hotel, the provisions of this clause shall have effect as if for the words "fifty per cent.", the words "five per cent." had been substituted;

(e) fifty per cent. of the expenses referred to in clauses (F) to (J) of sub-section (2) of section 115WB;

(f) twenty per cent. of the expenses referred to in clauses (K) to (L) of sub-section (2) of section 115WB;

(g) twenty per cent. of the expenses referred to in clauses (M) and (N) of sub-section (2) of section 115WB;

Provided that in the case of an employer engaged in the business of carriage of passengers or goods either by motor car or by aircraft, as the case may be, the provisions of this clause shall have effect as if for the words "twenty per cent.", the words "five per cent." had been substituted.

Explanation.—For the purposes of calculating twenty per cent. of the expenses referred to in clauses (M) and (N) of sub-section (2) of section 115WB, the depreciation on motor cars and aircrafts referred to in the said clauses shall be included, in the fringe benefits;

(h) twenty per cent. of the expenses referred to in clause (O) of sub-section (2) of section 115WB;

Provided that in the case of an employer engaged in the business of carriage of passengers or goods, the provisions of this clause shall have effect as if for the words "twenty per cent.", the words "five per cent." had been substituted;

(i) ten per cent. of the expenses referred to in clause (P) of sub-section (2) of section 115WB; and

(j) actual amount incurred in providing scholarship referred to in clause (Q) of sub-section (2) of section 115WB.

C.—Procedure for filing of return in respect of fringe benefits, assessment and payment of tax in respect thereof

Return of
fringe benefits.

115WD. (1) Without prejudice to the provisions contained in section 139, every employer who during a previous year has paid or made provision for payment of fringe benefits to his employees, shall, on or before the due date, furnish or cause to be furnished a return of fringe benefits to the Assessing Officer in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed, in respect of the previous year.

Explanation.—In this sub-section, "due date" means,—

(a) where the employer is—

(i) a company; or

(ii) a person (other than a company) whose accounts are required to be audited under this Act or under any other law for the time being in force, the 31st day of October of the assessment year;

(b) in the case of any other employer, the 31st day of July of the assessment year.

(2) In the case of any employer who, in the opinion of the Assessing Officer, is responsible for paying fringe benefit tax under this Act and who has not furnished a return under sub-section (1), the Assessing Officer may, after the due date, issue a notice to him and serve the same upon him, requiring him to furnish within thirty days from the date of service of the notice, the return in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed.

(3) Any employer responsible for paying fringe benefit tax who has not furnished a return within the time allowed under sub-section (1) or within the time allowed under a notice issued under sub-section (2), may furnish the return for any previous year, at any time before the expiry of one year from the end of the relevant assessment year or before the completion of the assessment, whichever is earlier.

(4) If any employer, having furnished a return under sub-section (1), or in pursuance of a notice issued under sub-section (2), discovers any omission or any

wrong statement therein, he may furnish a revised return at any time before the expiry of one year from the end of the relevant assessment year or before the completion of the assessment, whichever is earlier.

115WE. (1) Where a return has been made under section 115WD,—

Assessment.

(i) if any tax or interest is found due on the basis of such return, after adjustment of any advance tax paid, any tax paid on self-assessment and any amount paid otherwise by way of tax or interest, then without prejudice to the provisions of sub-section (2), an intimation shall be sent to the assessee specifying the sum so payable, and such intimation shall be deemed to be a notice of demand issued under section 156 and all the provisions of this Act shall apply accordingly; and

(ii) if any refund is due on the basis of such return, it shall be granted to the assessee and an intimation to this effect shall be sent to the assessee:

Provided that except as otherwise provided in this sub-section, the acknowledgment of the return shall be deemed to be an intimation under this sub-section where either no sum is payable by the assessee or no refund is due to him:

Provided further that no intimation under this sub-section shall be sent after the expiry of one year from the end of the financial year in which the return is made.

(2) Where a return has been furnished under section 115WD, the Assessing Officer shall, if he considers it necessary or expedient to ensure that the assessee has not under-stated the value of fringe benefits or has not under-paid the tax in any manner, serve on the assessee a notice requiring him on a date to be specified therein, either to attend his office or to produce, or cause to be produced, any evidence on which the assessee may rely in support of the return:

Provided that no notice under this sub-section shall be served on the assessee after the expiry of twelve months from the end of the month in which the return is furnished.

(3) On the day specified in the notice issued under sub-section (2), or as soon afterwards as may be, after hearing such evidence as the assessee may produce and such other evidence as the Assessing Officer may require on specified points, and after taking into account all relevant material which he has gathered, the Assessing Officer shall, by an order in writing, make an assessment of the value of the fringe benefits paid or payable by the assessee, and determine the sum payable by him or refund of any amount due to him on the basis of such assessment.

(4) Where a regular assessment under sub-section (3) or section 115WF is made,—

(a) any tax or interest paid by the assessee under sub-section (1) shall be deemed to have been paid towards such regular assessment;

(b) if no refund is due on regular assessment or the amount refunded under sub-section (1) exceeds the amount refundable on regular assessment, the whole or the excess amount so refunded shall be deemed to be tax payable by the assessee and the provisions of this Act shall apply accordingly.

115WF. (1) If any person, being an employer—

Best judgment
assessment.

(a) fails to make the return required under sub-section (1) of section 115WD and has not made a return under sub-section (3) or a revised return under sub-section (4) of that section, or

(b) fails to comply with all the terms of a notice issued under sub-section (2) of section 115WD or fails to comply with a direction issued under sub-section (2A) of section 142, or

(c) having made a return, fails to comply with all the terms of a notice issued under sub-section (2) of section 115WE,

the Assessing Officer, after taking into account all relevant material which the Assessing Officer has gathered, shall, after giving the assessee an opportunity of being heard, make the assessment of the fringe benefits to the best of his judgment and determine the sum payable by the assessee on the basis of such assessment:

Provided that such opportunity shall be given by the Assessing Officer by serving a notice calling upon the assessee to show cause, on a date and time to be specified in the notice as to why the assessment should not be completed to the best of his judgment:

Provided further that it shall not be necessary to give such opportunity in a case where a notice under sub-section (2) of section 115WD has been issued prior to the making of an assessment under this section.

Fringe benefits escaping assessment.

115WG. If the Assessing Officer has reason to believe that any fringe benefits chargeable to tax have escaped assessment for any assessment year, he may, subject to the provisions of sections 115WH, 150 and 153, assess or reassess such fringe benefits and also any other fringe benefits chargeable to tax which have escaped assessment and which come to his notice subsequently in the course of the proceedings under this section, for the assessment year concerned (hereafter referred to as the relevant assessment year).

Explanation.—For the purposes of this section, the following shall also be deemed to be cases where fringe benefits chargeable to tax have escaped assessment, namely:—

(a) where no return of fringe benefits has been furnished by the assessee;

(b) where a return of fringe benefits has been furnished by the assessee but no assessment has been made and it is noticed by the Assessing Officer that the assessee has understated the value of fringe benefits in the return;

(c) where an assessment has been made, but the fringe benefits chargeable to tax have been under-assessed.

115WH. (1) Before making the assessment or reassessment under section 115WG, the Assessing Officer shall serve on the assessee a notice requiring him to furnish within such period as may be specified in the notice, a return of the fringe benefits in respect of which he is assessable under this Chapter during the previous year corresponding to the relevant assessment year, in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed, and the provisions of this Chapter shall, so far as may be, apply accordingly as if such return were a return required to be furnished under section 115WD.

(2) The Assessing Officer shall, before issuing any notice under this section, record his reasons for doing so.

(3) No notice under sub-section (1) shall be issued for the relevant assessment year after the expiry of six years from the end of the relevant assessment year.

Explanation.—In determining fringe benefits chargeable to tax which have escaped assessment for the purposes of this sub-section, the provisions of the *Explanation* to section 115WG shall apply as they apply for the purposes of that section.

(4) In a case where an assessment under sub-section (3) of section 115WE or section 115WG has been made for the relevant assessment year, no notice shall be issued under sub-section (1) by an Assessing Officer, after the expiry of four years from the end of the relevant assessment year, unless the Chief Commissioner or Commissioner is satisfied, on the reasons recorded by the Assessing Officer, that it is a fit case for the issue of such notice.

115WI. Notwithstanding that the regular assessment in respect of any fringe benefits is to be made in a later assessment year, the tax on such fringe benefits shall be payable in advance during any financial year, in accordance with the provisions of section 115WJ, in respect of the fringe benefits which would be chargeable to tax for the assessment year immediately following that financial year, such fringe benefits being hereafter in this Chapter referred to as the “current fringe benefits”.

Payment of fringe benefit tax.

115WJ. (f) Every assessee who is liable to pay advance tax under section 115WI, shall on his own accord, pay advance tax on his current fringe benefits calculated in the manner laid down in sub-section (2).

Advance tax
in respect of
fringe benefits.

(2) The amount of advance tax payable by an assessee in the financial year shall be thirty per cent. of the value of the fringe benefits referred to in section 115WC, paid or payable in each quarter and shall be payable on or before the 15th day of the month following such quarter:

Provided that the advance tax payable for the quarter ending on the 31st day of March of the financial year shall be payable on or before the 15th day of March of the said financial year.

(3) Where an assessee has failed to pay the advance tax for any quarter or where the advance tax paid by him is less than thirty per cent. of the value of fringe benefits paid or payable in that quarter, he shall be liable to pay simple interest at the rate of one per cent. on the amount by which the advance tax paid falls short of, thirty per cent. of the value of fringe benefits for any quarter, for every month or part of the month for which the shortfall continues.

115WK. (1) Where the return of fringe benefits for any assessment year under sub-section (1) or sub-section (3) of section 115WD or in response to a notice under sub-section (2) of that section, is furnished after the due date, or is not furnished, the employer shall be liable to pay simple interest at the rate of one per cent. for every month or part of a month comprised in the period commencing on the date immediately following the due date, and,—

Interest for
default in
furnishing
return of fringe
benefits.

(a) where the return is furnished after the due date, ending on the date of furnishing of the return; or

(b) where no return has been furnished, ending on the date of completion of the assessment under section 115WF,

on the amount of tax on the value of fringe benefits as determined under sub-section (1) of section 115WE or regular assessment as reduced by the advance tax paid under section 115WJ.

Explanation 1.—In this section, “due date” means the date specified in the *Explanation* to sub-section (1) of section 115WD as applicable in the case of the employer.

Explanation 2.—Where, in relation to an assessment year, an assessment is made for the first time under section 115WG, the assessment so made shall be regarded as a regular assessment for the purposes of this section.

(2) The provisions contained in sub-sections (2) to (4) of section 234A shall, so far as may be, apply to this section.

115WL. Save as otherwise provided in this Chapter, all other provisions of this Act shall, as far as may be, apply in relation to fringe benefits also.'

Application
of other
provisions
of this Act.

38. In section 119 of the Income-tax Act, in sub-section (2), in clause (a), with effect from the 1st day of April, 2006,—

Amendment
of section
119.

(i) for the word, figures and letters “sections 115P, 115S”, the word, figures and letters “sections 115P, 115S, 115WD, 115WE, 115WF, 115WG, 115WH, 115WI, 115WK” shall be substituted;

(ii) for the words “any class of incomes”, the words “any class of incomes or fringe benefits” shall be substituted.

39. In section 124 of the Income-tax Act, in sub-section (3), with effect from the 1st day of April, 2006,—

Amendment
of section 124.

(i) in clause (a),—

(A) for the words, brackets and figures “under sub-section (1) of section 139”, the words, brackets, figures and letters “under sub-section (1) of section 115WD or under sub-section (1) of section 139” shall be substituted;

(B) for the words, brackets and figures "sub-section (2) of section 143", the words, brackets, figures and letters "sub-section (2) of section 115WE or sub-section (2) of section 143" shall be substituted;

(ii) in clause (b), for the words, brackets and figures "sub-section (1) of section 142 or under section 148 for the making of the return or by the notice under the first proviso to section 144", the words, brackets, figures and letters "sub-section (2) of section 115WD or sub-section (1) of section 142 or under sub-section (1) of section 115WH or under section 148 for the making of the return or by the notice under the first proviso to section 115WF or under the first proviso to section 144" shall be substituted.

Amendment of
section 139.

40. In section 139 of the Income-tax Act,—

(a) in sub-section (1), with effect from the 1st day of April, 2006,—

(i) in clause (a), for the word "company", the words "company or a firm" shall be substituted;

(ii) in clause (b), for the words "other than a company", the words "other than a company or a firm" shall be substituted;

(iii) in the first proviso,—

(A) clause (iii) shall be omitted;

(B) in clause (vi), the word "or" shall be inserted at the end;

(C) after clause (vi), the following clause shall be inserted, namely:—

"(vii) has incurred an expenditure of fifty thousand rupees or more towards consumption of electricity,";

(iv) in the third proviso, for the word "company", the words "company or a firm" shall be substituted;

(v) after the third proviso, the following proviso shall be inserted, namely:—

"Provided also that every person, being an individual or a Hindu undivided family or an association of persons or a body of individuals, whether incorporated or not, or an artificial juridical person, if his total income or the total income of any other person in respect of which he is assessable under this Act during the previous year, without giving effect to the provisions of section 10A or section 10B or section 10BA or Chapter VI-A exceeded the maximum amount which is not chargeable to income-tax, shall, on or before the due date, furnish a return of his income or the income of such other person during the previous year, in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed.";

(b) in sub-section (9), in the *Explanation*, in clause (c), in sub-clause (i), for the words, figures and letters "before the 1st day of April, 2005", the words, figures and letters "before the 1st day of April, 2006" shall be substituted.

Amendment of
section 139A.

41. In section 139A of the Income-tax Act, in sub-section (1), with effect from the 1st day of April, 2006,—

(a) in clause (iii), for the words, brackets, figures and letter "sub-section (4A) of section 139", the following shall be substituted, namely:—

"sub-section (4A) of section 139; or

(iv) being an employer, who is required to furnish a return of fringe benefit under section 115WD,";

(b) in sub-section (7), the following *Explanation* shall be inserted, namely:—

Explanation.—For the removal of doubts, it is hereby declared that any person, who has been allotted a permanent account number under any clause other than clause (iv) of sub-section (1), shall not be required to obtain another permanent account number and the permanent account number already allotted to him shall be deemed to be the permanent account number in relation to fringe benefit tax.".

42. In section 140 of the Income-tax Act, in the opening portion, for the words and figures "under section 139", the words, figures and letters "under section 115WD or section 139" shall be substituted with effect from the 1st day of April, 2006.

Amendment of
section 140.

43. In section 140A of the Income-tax Act, with effect from the 1st day of April, 2006,—

(a) in sub-section (1), for the word and figures "section 139", the words, figures and letters "section 115WD or section 115WH or section 139" shall be substituted;

(b) for sub-section (1A), the following sub-section shall be substituted, namely:—

"(1A) For the purposes of sub-section (1), interest payable,—

(i) under section 234A shall be computed on the amount of the tax on the total income as declared in the return as reduced by the advance tax, if any, paid and any tax deducted or collected at source;

(ii) under section 115WK shall be computed on the amount of tax on the value of the fringe benefits as declared in the return as reduced by the advance tax, paid, if any.";

(c) in sub-section (2), for the word and figures "section 143", the words, figures and letters "section 115WE or section 115WF or section 143" shall be substituted.

44. In section 142 of the Income-tax Act, in sub-section (1), for the words, figures and brackets "under section 139 or in whose case the time allowed under sub-section (1) of that section", the words, figures, letters and brackets "under section 115WD or section 139 or in whose case the time allowed under sub-section (1) of section 139" shall be substituted with effect from the 1st day of April, 2006.

Amendment of
section 142.

45. In section 153 of the Income-tax Act, with effect from the 1st day of April, 2006,—

(a) after sub-section (1), the following sub-sections shall be inserted, namely:—

"(1A) No order of assessment shall be made under section 115WE or section 115WF at any time after the expiry of two years from the end of the assessment year in which the fringe benefits were first assessable.

(1B) No order of assessment or reassessment shall be made under section 115WG after the expiry of one year from the end of the financial year in which the notice under section 115WH was served.";

(b) in sub-section (2A), for the words, brackets and figures "in sub-sections (1) and (2)", the words, brackets, figures and letters "in sub-sections (1), (1A), (1B) and (2)" shall be substituted;

(c) in sub-section (3), for the words, brackets and figures "sub-sections (1) and (2)", the words, brackets, figures and letters "sub-sections (1), (1A), (1B) and (2)" shall be substituted;

Amendment of
section 153.

46. In section 153B of the Income-tax Act, in sub-section (1), after clause (b) and before the *Explanation*, the following proviso shall be inserted and shall be deemed to have been inserted with effect from the 1st day of June, 2003, namely:—

Amendment of
section 153B.

"Provided that in case of other person referred to in section 153C, the period of limitation for making the assessment or reassessment shall be the period as referred to in clause (a) or clause (b) of this sub-section or one year from the end of the financial year in which books of account or documents or assets seized or requisitioned are handed over under section 153C to the Assessing Officer having jurisdiction over such other person, whichever is later.".

47. In the Income-tax Act, with effect from the 1st day of June, 2003,—

Amendment of
section 153C.

(a) section 153C shall be numbered as sub-section (1) thereof and in sub-section (1) as so numbered, the following proviso shall be inserted and shall be deemed to have been inserted, namely:—

"Provided that in case of such other person, the reference to the date of initiation of the search under section 132 or making of requisition under section 132A in the second proviso to section 153A shall be construed as reference to the date of receiving the books of account or documents or assets seized or requisitioned by the Assessing Officer having jurisdiction over such other person.";

(b) after sub-section (1) as so numbered, the following sub-section shall be inserted and shall be deemed to have been inserted, namely:—

"(2) Where books of account or documents or assets seized or requisitioned as referred to in sub-section (1) has or have been received by the Assessing Officer having jurisdiction over such other person after the due date for furnishing the return of income for the assessment year relevant to the previous year in which search is conducted under section 132 or requisition is made under section 132A and in respect of such assessment year—

(a) no return of income has been furnished by such other person and no notice under sub-section (1) of section 142 has been issued to him, or

(b) a return of income has been furnished by such other person but no notice under sub-section (2) of section 143 has been served and limitation of serving the notice under sub-section (2) of section 143 has expired, or

(c) assessment or reassessment, if any, has been made,

before the date of receiving the books of account or documents or assets seized or requisitioned by the Assessing Officer having jurisdiction over such other person, such Assessing Officer shall issue the notice and assess or reassess total income of such other person of such assessment year in the manner provided in section 153A.".

Amendment of
section 194A.

48. In section 194A of the Income-tax Act, in sub-section (3), with effect from the 1st day of June, 2005,—

(i) after clause (ix), the following clause shall be inserted, namely:—

"(x) to such income which is paid or payable by an infrastructure capital company or infrastructure capital fund or a public sector company in relation to a zero coupon bond issued on or after the 1st day of June, 2005 by such company or fund or public sector company;";

(ii) for the *Explanation*, the following *Explanations* shall be substituted, namely:—

Explanation 1.—For the purposes of clauses (i), (vii) and (viii), "time deposits" means deposits (excluding recurring deposits) repayable on the expiry of fixed periods.

Explanation 2.—For the purposes of clause (x), "infrastructure capital company" and "infrastructure capital fund" shall have the meanings respectively assigned to them in clauses (a) and (b) of *Explanation 1* to clause (23G) of section 10.'

Amendment of
section 194C.

49. In section 194C of the Income-tax Act, in sub-section (3), in clause (i), with effect from the 1st day of June, 2005,—

(a) in the proviso, for the words "under this section; or", the words "under this section:" shall be substituted;

(b) after the proviso, the following provisos shall be inserted, namely:—

"Provided further that no deduction shall be made under sub-section (2), from the amount of any sum credited or paid or likely to be credited or paid during the previous year to the account of the sub-contractor during the course of business of plying, hiring or leasing goods carriages, on production of a declaration to the person concerned paying or crediting such sum, in the prescribed form and verified in the prescribed manner and within such time as may be prescribed, if such sub-contractor is an individual who has not owned more than two goods carriages at any time during the previous year:

Provided also that the person responsible for paying any sum as aforesaid to the sub-contractor referred to in the second proviso shall furnish to the prescribed income-tax authority or the person authorised by it such particulars as may be prescribed in such form and within such time as may be prescribed; or";

(c) after clause (iii), the following *Explanation* shall be inserted, namely:—

'Explanation.—For the purposes of clause (i), "goods carriage" shall have the same meaning as in the *Explanation* to sub-section (7) of section 44AE.'

50. In section 199 of the Income-tax Act, in sub-section (3), for the figures, letters and words "1st day of April, 2005", the figures, letters and words "1st day of April, 2006" shall be substituted.

Amendment of
section 199.

51. In section 203 of the Income-tax Act, in sub-section (3), for the figures, letters and words "1st day of April, 2005", the figures, letters and words "1st day of April, 2006" shall be substituted.

Amendment of
section 203.

52. After section 206 of the Income-tax Act, the following section shall be inserted with effect from the 1st day of June, 2005, namely:—

Insertion of
new section
206A.

"206A. (1) Any banking company or co-operative society or public company referred to in the proviso to clause (i) of sub-section (3) of section 194A responsible for paying to a resident any income not exceeding five thousand rupees by way of interest (other than interest on securities), shall prepare quarterly returns for the period ending on the 30th June, the 30th September, the 31st December and the 31st March in each financial year and deliver or cause to be delivered to the prescribed income-tax authority or the person authorised by such authority the quarterly returns as aforesaid, in the prescribed form, verified in such manner and within such time as may be prescribed, on a floppy, diskette, magnetic cartridge tape, CD-ROM or any other computer readable media.

Furnishing of
quarterly return
in respect of
payment of
interest to
residents
without
deduction of
tax.

(2) The Central Government may, by notification in the Official Gazette, require any person other than a person mentioned in sub-section (1) responsible for paying to a resident any income liable for deduction of tax at source under Chapter XVII, to prepare and deliver or cause to be delivered quarterly returns in the prescribed form and verified in such manner and within such time as may be prescribed, to the prescribed income-tax authority or the person authorised by such authority on a floppy, diskette, magnetic cartridge tape, CD-ROM or any other computer readable media."

53. In section 206C of the Income-tax Act,—

Amendment of
section 206C.

(a) in sub-section (4), in the proviso, for the figures, letters and words "1st day of April, 2005", the figures, letters and words "1st day of April, 2006" shall be substituted;

(b) in sub-section (5), in the first proviso, for the figures, letters and words "1st day of April, 2005", the figures, letters and words "1st day of April, 2006" shall be substituted.

54. In section 238 of the Income-tax Act, after sub-section (1), the following sub-section shall be inserted with effect from the 1st day of April, 2006, namely:—

Amendment of
section 238.

"(1A) Where the value of fringe benefits provided or deemed to have been provided by one employer is included under any provisions of Chapter XII-H in the value of fringe benefits provided or deemed to have been provided by any other employer, the latter alone shall be entitled to a refund under this Chapter in respect of such fringe benefits.".

Amendment of
section 239.

55. In section 239 of the Income-tax Act, in sub-section (2), after clause (c), the following clause shall be inserted with effect from the 1st day of April, 2006, namely:—

"(d) where the claim is in respect of fringe benefits which are assessable for any assessment year commencing on the first day of April, 2006, one year from the last day of such assessment year.".

Amendment of
section 244A.

56. In section 244A of the Income-tax Act, with effect from the 1st day of April, 2006,—

(a) in sub-section (1), in clause (a),—

(i) for the words "out of any tax", the words, figures and letters "out of any tax paid under section 115WJ or" shall be substituted;

(ii) in the proviso, for the words "under sub-section", the words, brackets, figures and letters "under sub-section (1) of section 115WE or sub-section" shall be substituted;

(b) in sub-section (3), for the words "result of an order under", the words, brackets, figures and letters "result of an order under sub-section (3) of section 115WE or section 115WF or section 115WG or" shall be substituted;

(c) in sub-section (4), the following proviso shall be inserted, namely:—

"Provided that in respect of assessment of fringe benefits, the provisions of this sub-section shall have effect as if for the figures "1989", the figures "2006" had been substituted.".

Amendment of
section 246A.

57. In section 246A of the Income-tax Act, in sub-section (1), with effect from the 1st day of April, 2006,—

(i) after clause (a), the following clauses shall be inserted, namely:—

"(aa) an order of assessment under sub-section (3) of section 115WE or section 115WF, where the assessee, being an employer objects to the value of fringe benefits assessed;

(ab) an order of assessment or reassessment under section 115WG;";

(ii) in clause (f), in sub-clause (B), for the word, figures and letter "section 271F", the words, figures and letters "section 271F, section 271FB" shall be substituted.

Amendment of
section 271.

58. In section 271 of the Income-tax Act, with effect from the 1st day of April, 2006,—

(a) in sub-section (1),—

(A) in clause (b), for the words, brackets and figures "under sub-section (1) of section 142", the words, brackets, figures and letters "under sub-section (2) of section 115WD or under sub-section (2) of section 115WE or under sub-section (1) of section 142" shall be substituted;

(B) in clause (c), for the words "income", the words "income, or" shall be substituted;

(C) after clause (c), the following clause shall be inserted, namely:—

“(d) has concealed the particulars of the fringe benefits or furnished inaccurate particulars of such fringe benefits;”;

(D) in sub-clause (iii),—

(i) for the word, brackets and letter “clause (c)”, the words, brackets and letters “clause (c) or clause (d)” shall be substituted;

(ii) for the word “income”, at both the places where it occurs, the words “income or fringe benefits” shall be substituted;

(b) after sub-section (5), the following sub-section shall be inserted, namely:—

“(6) Any reference in this section to the income shall be construed as a reference to the income or fringe benefits, as the case may be, and the provisions of this section shall, as far as may be, apply in relation to any assessment in respect of fringe benefits also.”.

59. After section 271FA of the Income-tax Act, the following section shall be inserted with effect from the 1st day of April, 2006, namely:—

“271FB. If an employer, who is required to furnish a return of fringe benefits, as required under sub-section (1) of section 115WD, fails to furnish such return within the time prescribed under that sub-section, the Assessing Officer may direct that such employer shall pay, by way of penalty, a sum of one hundred rupees for every day during which the failure continues.”.

60. In section 272A of the Income-tax Act, in sub-section (2), after clause (k), the following clause shall be inserted with effect from the 1st day of June, 2005, namely:—

“(l) to deliver or cause to be delivered the quarterly return within the time specified in sub-section (1) of section 206A.”.

61. In section 273B of the Income-tax Act, for the word, figures and letters “section 271FA”, the words, figures and letters “section 271FA, section 271FB” shall be substituted with effect from the 1st day of April, 2006.

62. In section 276CC of the Income-tax Act, with effect from the 1st day of April, 2006,—

(a) in the opening portion, after the words “in due time”, the words, brackets, figures and letters “the return of fringe benefits which he is required to furnish under sub-section (1) of section 115WD or by notice given under sub-section (2) of the said section or section 115WH or” shall be inserted;

(b) in the proviso, for the words, brackets and figures “return of income under sub-section (1) of section 139”, the words, brackets, figures and letters “return of fringe benefits under sub-section (1) of section 115WD or return of income under sub-section (1) of section 139” shall be substituted.

63. In section 278 of the Income-tax Act, for the words “any income chargeable to tax”, the words “any income or any fringe benefits chargeable to tax” shall be substituted with effect from the 1st day of April, 2006.

64. In section 295 of the Income-tax Act, in sub-section (2), clause (e) shall be omitted with effect from the 1st day of April, 2006.

Insertion of new section 271FB.

Penalty for failure to furnish return of fringe benefits.

Amendment of section 272A.

Amendment of section 273B.

Amendment of section 276CC.

Amendment of section 278.

Amendment of section 295.

CHAPTER IV

INDIRECT TAXES

*Customs*Amendment
of section
28E.

65. In section 28E of the Customs Act, 1962 (hereinafter referred to as the Customs Act),— 52 of 1962.

(a) for clause (c), the following clause shall be substituted, namely:—

'(c) "applicant" means—

(i) (a) a non-resident setting up a joint venture in India in collaboration with a non-resident or a resident; or

(b) a resident setting up a joint venture in India in collaboration with a non-resident; or

(c) a wholly owned subsidiary Indian company, of which the holding company is a foreign company,

who or which, as the case may be, proposes to undertake any business activity in India;

(ii) a joint venture in India; or

(iii) a resident falling within any such class or category of persons, as the Central Government may, by notification in the Official Gazette, specify in this behalf,

and which or who, as the case may be, makes application for advance ruling under sub-section (1) of section 28H;';

(b) in clause (e), for the words "Authority for Advance Rulings", the words and brackets "Authority for Advance Rulings (Central Excise, Customs and Service Tax)" shall be substituted.

Amendment
of section
28F.

66. In section 28F of the Customs Act, in sub-section (1), for the words "the Authority for Advance Rulings", the words and brackets "the Authority for Advance Rulings (Central Excise, Customs and Service Tax)" shall be substituted.

Amendment
of section
28H.

67. In section 28H of the Customs Act, in sub-section (2), after clause (d), the following clause shall be inserted, namely:—

"(e) determination of Rules of origin of goods and such other matters relating thereto.".

Amendment
of section
127MA.

68. In section 127MA of the Customs Act,—

(a) in sub-section (6), for the word, figures and letter "section 127C", the words, figures, letters and brackets "section 127C and sub-section (1) of section 127-I" shall be substituted;

(b) after sub-section (7), the following sub-section shall be inserted, namely:—

"(8) The Settlement Commission may, if it is of opinion that any person who made an application under sub-section (5) has not co-operated with the proceedings before it, send the case back to the Appellate Tribunal and the provisions containing in section 129A, section 129B and section 129C shall, so far as may be, apply accordingly.".

Amendment
of section
128A.

69. In section 128A of the Customs Act, in sub-section (5), for the words "Commissioner of Customs"; the words ", Chief Commissioner of Customs" shall be substituted.

Amendment
of section
129A.

70. In section 129A of the Customs Act,—

(a) after sub-section (1A), the following sub-section shall be inserted, namely:—

"(1B) The Board may, by notification in the Official Gazette, constitute a Committee consisting of two Chief Commissioners or Customs for the purposes of this Act.";

(b) in sub-section (2),—

(i) for the words "The Commissioner of Customs may, if he is", the words "The Committee of Chief Commissioners of Customs may, if it is" shall be substituted;

(ii) for the words "on his behalf", the words "on its behalf" shall be substituted.

71. In section 129D of the Customs Act, for the word "Board", occurring in sub-sections (1) and (3), the words "Committee of Chief Commissioners of Customs" shall respectively be substituted.

Amendment
of section
129D.

51 of 1975.

72. For section 3 of the Customs Tariff Act, 1975 (hereinafter referred to as the Customs Tariff Act), the following section shall be substituted, namely:—

Substitution
of new
section for
section 3.

3. (1) Any article which is imported into India shall, in addition, be liable to a duty (hereafter in this section referred to as the additional duty) equal to the excise duty for the time being leviable on a like article if produced or manufactured in India and if such excise duty on a like article is leviable at any percentage of its value, the additional duty to which the imported article shall be so liable shall be calculated at that percentage of the value of the imported article:

Provided that in case of any alcoholic liquor for human consumption imported into India, the Central Government may, by notification in the Official Gazette, specify the rate of additional duty having regard to the excise duty for the time being leviable on a like alcoholic liquor produced or manufactured in different States or, if a like alcoholic liquor is not produced or manufactured in any State, then, having regard to the excise duty which would be leviable for the time being in different States on the class or description of alcoholic liquor to which such imported alcoholic liquor belongs.

Levy of
additional
duty equal
to excise
duty, sales
tax, local
taxes and
other
charges.

Explanation.—In this sub-section, the expression "the excise duty for the time being leviable on a like article if produced or manufactured in India" means the excise duty for the time being in force which would be leviable on a like article if produced or manufactured in India or, if a like article is not so produced or manufactured, which would be leviable on the class or description of articles to which the imported article belongs, and where such duty is leviable at different rates, the highest duty.

(2) For the purpose of calculating under sub-sections (1) and (3), the additional duty on any imported article, where such duty is leviable at any percentage of its value, the value of the imported article shall, notwithstanding anything contained in section 14 of the Customs Act, 1962, be the aggregate of—

52 of 1962.

(i) the value of the imported article determined under sub-section (1) of section 14 or the tariff value of such article fixed under sub-section (2) of that section, as the case may be; and

52 of 1962.

(ii) any duty of customs chargeable on that article under section 12 of the Customs Act, 1962, and any sum chargeable on that article under any law for the time being in force as an addition to, and in the same manner as, a duty of customs, but does not include—

(a) the duty referred to in sub-sections (1), (3) and (5);

(b) the safeguard duty referred to in sections 8B and 8C;

(c) the countervailing duty referred to in section 9; and

(d) the anti-dumping duty referred to in section 9A;

Provided that in case of an article imported into India,—

(a) in relation to which it is required, under the provisions of the Standards of Weights and Measures Act, 1976 or the rules made thereunder or under any other law for the time being in force, to declare on the package thereof the retail sale price of such article; and

60 of 1976.

(b) where the like article produced or manufactured in India, or in case where such like article is not so produced or manufactured, then, the class or description of articles to which the imported article belongs, is the goods specified by notification in the Official Gazette under sub-section (1) of section 4A of the Central Excise Act, 1944,

1 of 1944.

the value of the imported article shall be deemed to be the retail sale price declared on the imported article less such amount of abatement, if any, from such retail sale price as the Central Government may, by notification in the Official Gazette, allow in respect of such like article under sub-section (2) of section 4A of the Central Excise Act, 1944.

1 of 1944.

Explanation.—Where on any imported article more than one retail sale price is declared, the maximum of such retail sale price shall be deemed to be the retail sale price for the purposes of this section.

(3) If the Central Government is satisfied that it is necessary in the public interest to levy on any imported article [whether on such article duty is leviable under sub-section (1) or not] such additional duty as would counter-balance the excise duty leviable on any raw materials, components and ingredients of the same nature as, or similar to those, used in the production or manufacture of such article, it may, by notification in the Official Gazette, direct that such imported article shall, in addition, be liable to an additional duty representing such portion of the excise duty leviable on such raw materials, components and ingredients as, in either case, may be determined by rules made by the Central Government in this behalf.

(4) In making any rules for the purposes of sub-section (3), the Central Government shall have regard to the average quantum of the excise duty payable on the raw materials, components or ingredients used in the production or manufacture of such like article.

(5) If the Central Government is satisfied that it is necessary in the public interest to levy on any imported article [whether on such article duty is leviable under sub-section (1) or, as the case may be, sub-section (3) or not] such additional duty as would counter-balance the sales tax, value added tax, local tax or any other charges for the time being leviable on a like article on its sale, purchase or transportation in India, it may, by notification in the Official Gazette, direct that such imported article shall, in addition, be liable to an additional duty at a rate not exceeding four per cent. of the value of the imported article as specified in that notification.

Explanation.—In this sub-section, the expression "sales tax, value added tax, local tax or any other charges for the time being leviable on a like article on its sale, purchase or transportation in India" means the sales tax, value added tax, local tax or other charges for the time being in force, which would be leviable on a like article if sold, purchased or transported in India or, if a like article is not so sold, purchased or transported, which would be leviable on the class or description of articles to which the imported article belongs, and where such taxes, or, as the case may be, such charges are leviable at different rates, the highest such tax or, as the case may be, such charge.

(6) For the purpose of calculating under sub-section (5), the additional duty on any imported article, the value of the imported article shall, notwithstanding anything contained in sub-section (2) of section 14 of the Customs Act, 1962, be the aggregate of—

52 of 1962.

(i) the value of the imported article determined under sub-section (1) of section 14 of the Customs Act, 1962 or the tariff value of such article fixed under sub-section (2) of that section, as the case may be; and

52 of 1962.

52 of 1962.

(ii) any duty of customs chargeable on that article under section 12 of the Customs Act, 1962, and any sum chargeable on that article under any law for the time being in force as an addition to, and in the same manner as, a duty of customs, but does not include—

- (a) the duty referred to in sub-section (5);
- (b) the safeguard duty referred to in sections 8B and 8C;
- (c) the countervailing duty referred to in section 9; and
- (d) the anti-dumping duty referred to in section 9A.

(7) The duty chargeable under this section shall be in addition to any other duty imposed under this Act or under any other law for the time being in force.

52 of 1962.

(8) The provisions of the Customs Act, 1962 and the rules and regulations made thereunder, including those relating to drawbacks, refunds and exemption from duties shall, so far as may be, apply to the duty chargeable under this section as they apply in relation to the duties leviable under that Act.'

73. Section 3A of the Customs Tariff Act shall be omitted.

74. In the Customs Tariff Act, the First Schedule shall be amended in the manner as specified in the Second Schedule.

Omission of
section 3A.
Amendment
of First
Schedule,

1 of 1944.

75. In section 5A of the Central Excise Act, 1944 (hereinafter referred to as the Central Excise Act), after sub-section (1), the following sub-section shall be inserted, namely:—

"(1A) For the removal of doubts, it is hereby declared that where an exemption under sub-section (1) in respect of any excisable goods from the whole of the duty of excise leviable thereon has been granted absolutely, the manufacturer of such excisable goods shall not pay the duty of excise on such goods."

76. In section 23A of the Central Excise Act,—

(a) for clause (c), the following clause shall be substituted, namely:—

'(c) "applicant" means—

(i) (a) a non-resident setting up a joint venture in India in collaboration with a non-resident or a resident; or

(b) a resident setting up a joint venture in India in collaboration with a non-resident; or

(c) a wholly owned subsidiary Indian company, of which the holding company is a foreign company,

who or which, as the case may be, proposes to undertake any business activity in India;

(ii) a joint venture in India; or

(iii) a resident falling within any such class or category of persons, as the Central Government may, by notification in the Official Gazette, specify in this behalf,

and which or who, as the case may be, makes application for advance ruling under sub-section (1) of section 23C;'

(b) in clause (e), for the words "Authority for Advance Rulings", the words and brackets "Authority for Advance Rulings (Central Excise, Customs and Service Tax)" shall be substituted.

77. In section 32PA of the Central Excise Act,—

(a) in sub-section (6), for the word, figures and letter "section 32F", the words, figures, letters and brackets "section 32F and sub-section (1) of section 32L" shall be substituted;

Amendment
of section
23A.

Amendment
of section
32PA.

(b) after sub-section (7), the following sub-section shall be inserted, namely:—

"(8) The Settlement Commission may, if it is of opinion that any person who made an application under sub-section (5) has not co-operated with the proceedings before it, send the case back to the Appellate Tribunal and the provisions containing in section 35B, section 35C and section 35D shall, so far as may be, apply accordingly.”.

**Amendment
of section
35A.**

78. In section 35A of the Central Excise Act, in sub-section (5), for the words "and the Commissioner of Central Excise", the words ", the Chief Commissioner of Central Excise and the Commissioner of Central Excise" shall be substituted.

**Amendment
of section
35B.**

79. In section 35B of the Central Excise Act,—

(a) after sub-section (1A), the following sub-section shall be inserted, namely:—

"(1B) The Central Board of Excise and Customs constituted under the Central Boards of Revenue Act, 1963 may, by notification in the Official Gazette, constitute a Committee consisting of two Chief Commissioners of Central Excise for the purposes of this Act.”;

(b) in sub-section (2),—

(i) for the words "The Commissioner of Central Excise may, if he is", the words "The Committee of Commissioners of Central Excise may, if it is" shall be substituted;

(ii) for the words "on his behalf", the words "on its behalf" shall be substituted.

54 of 1963.

**Amendment
of section
35E.**

80. In section 35E of the Central Excise Act, for the word "Board", occurring in sub-sections (1) and (3), the words "Committee of Chief Commissioners of Central Excise" shall respectively be substituted.

**Substitution of
new Schedule
for Third
Schedule.**

81. For the Third Schedule to the Central Excise Act, the Schedule specified in the Third Schedule shall be substituted.

**Amendment
of Central
Excise Rules,
1944.**

82. (1) In the Central Excise Rules, 1944, made by the Central Government in exercise of the powers conferred by section 37 of the Central Excise Act,—

(a) rule 57CC as inserted by the Central Excise (Third Amendment) Rules, 1996, published in the Official Gazette, *vide* notification of the Government of India in the Ministry of Finance (Department of Revenue), No. G.S.R. 324(E), dated the 23rd July, 1996;

(b) rule 57CC as substituted by the Central Excise (Amendment) Rules, 1997, published in the Official Gazette, *vide* notification of the Government of India in the Ministry of Finance (Department of Revenue), No. G.S.R. 122(E), dated the 1st March, 1997; and

(c) rule 57D as substituted by the Central Excise (Second Amendment) Rules, 2000, published in the Official Gazette, *vide* notification of the Government of India in the Ministry of Finance (Department of Revenue), No. G.S.R. 203(E), dated the 1st March, 2000, as substituted as rule 57AD by rule 5 of the Central Excise [Second Amendment (Amendment)] Rules, 2000, published in the Gazette of India, *vide* notification of Government of India in the Ministry of Finance (Department of Revenue), No. G.S.R. 298(E), dated the 31st March, 2000,

shall stand amended and shall be deemed to have been amended retrospectively in the manner as specified in column (3) of the Fourth Schedule on and from the corresponding date specified in column (4) of that Schedule against each of the rules specified in column (2) of that Schedule.

(2) Any action taken or anything done or purported to have been taken or done, at any time during the period commencing on and from the 1st day of August, 1996 and ending with

the 30th day of June, 2001 under the rule as amended by sub-section (1), shall be deemed to be, and always to have been, for all purposes, as validly and effectively, taken or done as if the amendment made by sub-section (1) had been in force at all material times, and accordingly, notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority—

(a) no suit or other proceedings shall be instituted, maintained or continued in any court, tribunal or, as the case may be, other authority against the Central Government or Central Excise Officer for recovery of the amount under the rule as amended by sub-section (1) and no enforcement shall be made by any court, tribunal or other authority of any decree or order for non-recovery of the said amount, as if the amendments made by that sub-section had been in force at all material times;

(b) recovery shall be made of the amount which has not been paid but which would have been paid as if the amendment made by sub-section (1) had been in force at all material times, within a period of thirty days from the day on which the Finance Bill, 2005 receives the assent of the President.

(3) Notwithstanding the supersession of the Central Excise Rules, 1944 referred to in sub-section (1), for the purposes of that sub-section, the Central Government shall have and shall be deemed to have the power to make rules with retrospective effect as if the Central Government had the power to make rules under section 37 of the Central Excise Act, retrospectively at all material times.

Explanation.—For the removal of doubts, it is hereby declared that no act or omission on the part of any person shall be punishable as an offence which would not have been so punishable if this section had not come into force.

83. (1) In the CENVAT Credit Rules, 2001, made by the Central Government in exercise of the powers conferred by section 37 of the Central Excise Act, rule 6 thereof as published in the Official Gazette *vide* notification of the Government of India in the Ministry of Finance (Department of Revenue), No. G.S.R. 445(E), dated the 21st June, 2001 shall stand amended and shall be deemed to have been amended retrospectively in the manner as specified in column (2) of the Fifth Schedule on and from the corresponding date specified in column (3) of that Schedule against the rule specified in column (1) of that Schedule.

(2) Any action taken or anything done or purported to have been taken or done at any time during the period commencing on and from the 1st day of July, 2001 and ending with the 28th day of February, 2002 under the rule as amended by sub-section (1), shall be deemed to be, and always to have been, for all purposes, as validly and effectively taken or done as if the amendment made by sub-section (1) had been in force at all material times, and accordingly, notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority—

(a) no suit or other proceedings shall be instituted, maintained or continued in any court, tribunal or, as the case may be, other authority against the Central Government or Central Excise Officer for recovery of the amount under the rule as amended by sub-section (1) and no enforcement shall be made by any court, tribunal or other authority of any decree or order for the non-recovery of the said amount, as if the amendments made by that sub-section had been in force at all material times;

(b) recovery shall be made of the amount which has not been paid but which would have been paid as if the amendment made by sub-section (1) had been in force at all material times, within a period of thirty days from the day on which the Finance Bill, 2005 receives the assent of the President.

(3) Notwithstanding the supersession of the CENVAT Credit Rules, 2001 referred to in sub-section (1), for the purposes of that sub-section, the Central Government shall have and shall be deemed to have the power to make rules with retrospective effect as if the Central Government had the power to make rules under section 37 of the Central Excise Act, retrospectively at all material times.

Amendment
of rule 6 of
the
CENVAT
Credit Rules,
2001.

Explanation.—For the removal of doubts, it is hereby declared that no act or omission on the part of any person shall be punishable as an offence which would not have been so punishable if this section had not come into force.

Amendment
of
notification
issued under
section 5A of
the Central
Excise Act

84. (1) The notification of the Government of India in the Ministry of Finance (Department of Revenue), No. G.S.R. 277(E), dated the 1st March, 1988, issued under sub-section (1) of section 5A of the Central Excise Act by the Central Government, shall stand amended and shall be deemed to have been amended in the manner as specified in the Sixth Schedule, for the period commencing on and from the 21st day of February, 2000 to the 28th day of February, 2003 (both days inclusive) retrospectively, and accordingly, notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority, any action taken or anything done or purported to have been taken or done under the said notification, shall be deemed to be and always to have been, for all purposes, as validly and effectively taken or done as if the notification as amended by this sub-section had been in force at all material times.

(2) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the said notification referred to in the said sub-section with retrospective effect as if the Central Government had the power to amend the said notification under sub-section (1) of section 5A of the Central Excise Act, retrospectively, at all material times.

(3) No recovery shall be made of all such amounts of duty or interest or penalty or fine or other charges which have not been collected or, as the case may be, for which demand notices have been issued under section 11A or, recovery proceeding have been initiated under section 11 of the Central Excise Act, as if the amendment made by sub-section (1), had been in force at all material times.

(4) Refund shall be made of all such duties which have been collected but which would not have been so collected if the amendment made by sub-section (1) had been in force at all material times, subject to the provisions of section 11B of the Central Excise Act.

(5) Notwithstanding anything contained in section 11B of the Central Excise Act, an application for the claim of refund of the duty of excise under sub-section (4) shall be made within one month from the day on which the Finance Bill, 2005 receives the assent of the President.

Additional
duty of excise
(pan masala
and certain
tobacco
products).

85. (1) In the case of goods specified in the Seventh Schedule, being goods produced or manufactured in India, there shall be levied and collected for the purposes of the Union, by surcharge, an additional duty of excise, at the rates specified in the said Schedule.

(2) The additional duty of excise referred to in sub-section (1) shall be in addition to any other duty of excise chargeable on such goods under the Central Excise Act or any other law for the time being in force.

(3) The provisions of the Central Excise Act and the rules made thereunder, including those relating to refunds and exemptions from duties and imposition of penalty, shall, as far as may be, apply in relation to the levy and collection of the additional duty of excise leviable under this section in respect of goods specified in the Seventh Schedule as they apply in relation to the levy and collection of the duty of excise on such goods under the Central Excise Act or, as the case may be, the rules made thereunder.

Excise Tariff

Amendment
of First
Schedule and
Second
Schedule.

86. The Central Excise Tariff Act, 1985 (hereinafter referred to as the Central Excise Tariff Act),—

5 of 1986.

(a) the First Schedule shall be amended in the manner specified in the Eighth Schedule;

(b) the Second Schedule shall be amended in the manner specified in the Ninth Schedule.

87. (1) In Chapter 15, after NOTE 4, the following NOTE shall be inserted and shall be deemed to have been inserted for the period commencing on and from the 1st day of March, 1986 and ending with the 28th day of February, 2005 (both days inclusive), namely:—

Amendment
of Chapter 15
of First
Schedule.

"5. In relation to refined edible vegetable oils falling under Heading Nos. or headings 15.02 and 15.03, the process of refining, that is to say, any one or more of the processes, namely, treatment of crude oil with an alkali, bleaching and deodorisation, shall amount to 'manufacture'.".

(2) Any action taken or anything done or purported to have been taken or done at any time during the period commencing on and from the 1st day of March, 1986 and ending with the 28th day of February, 2005 (both days inclusive) (hereafter in this section referred to as the said period) under the Central Excise Tariff Act, shall be deemed to be, and to have always been, for all purposes, as validly and effectively taken or done as if the amendment made by sub-section (1) had been in force at all material times and, accordingly, notwithstanding anything contained in any judgment, decree or order of any court, tribunal or other authority—

(a) all duties of excise levied, assessed or collected during the said period on any excisable goods under the Central Excise Act, shall be deemed to be and shall be deemed always to have been, as validly levied, assessed or collected as if the amendment made by sub-section (1) had been in force at all material times;

(b) no suit or other proceeding shall be instituted, maintained or continued in any court, tribunal or other authority for the refund of, and no enforcement shall be made by any court, tribunal or other authority of any decree or order directing the refund of, any such duty of excise which have been collected and which would have been validly collected if the amendment made by sub-section (1) had been in force at all material times.

(3) For the purposes of sub-section (1), the Central Government shall have and shall be deemed to have the power to amend the Chapter referred to in the said sub-section with retrospective effect as if the Central Government had the power to amend the said Chapter, retrospectively, at all material times.

Explanation.—For the removal of doubts, it is hereby declared that no act or omission on the part of any person shall be punishable as an offence which would not have been so punishable if this section had not come into force.

CHAPTER V

SERVICE TAX

88. In the Finance Act, 1994,—

Amendment
of Act 32 of
1994.

(a) in section 65, with effect from such date as the Central Government may, by notification in the Official Gazette, appoint,—

(i) in clause (9), for the words "service or repair", the words "service, repair, reconditioning or restoration" shall be substituted;

(ii) in clause (15), for the words "collecting the broadcasting charges on behalf of the said agency", the words "collecting the broadcasting charges or permitting the rights to receive any form of communication like sign, signal, writing, picture, image and sounds of all kinds by transmission of electromagnetic waves through space or through cables, direct to home signals or by any other means to cable operator including multisystem operator or any other person on behalf of the said agency" shall be substituted;

(iii) in clause (16), for the words "collecting the broadcasting charges on behalf of the said agency", the words "collecting the broadcasting charges or permitting the rights to receive any form of communication like sign, signal, writing, picture, image and sounds of all kinds by transmission of electromagnetic waves through space or through cables, direct to home signals or by any other

means to cable operator, including multisystem operator or any other person on behalf of the said agency" shall be substituted;

(iv) for clause (17), the following clause shall be substituted, namely:—

'(17) "beauty treatment" includes hair cutting, hair dyeing, hair dressing, face and beauty treatment, cosmetic treatment, manicure, pedicure or counselling services on beauty, face care or make-up or such other similar services;';

(v) in clause (19),—

(i) in sub-clause (iv), the following *Explanation* shall be inserted at the end, namely:—

'Explanation.—For the removal of doubts, it is hereby declared that for the purposes of this sub-clause, "inputs" means all goods or services intended for use by the client,';

(ii) for sub-clause (v), the following sub-clause shall be substituted, namely:—

"(v) production or processing of goods for, or on behalf of, the client,';

(iii) for the *Explanation*, the following *Explanation* shall be substituted, namely:—

'Explanation.—For the removal of doubts, it is hereby declared that for the purposes of this clause,—

(a) "commission agent" means any person who acts on behalf of another person and causes sale or purchase of goods, or provision or receipt of services, for a consideration, and includes any person who, while acting on behalf of another person—

(i) deals with goods or services or documents of title to such goods or services; or

(ii) collects payment of sale price of such goods or services; or

(iii) guarantees for collection or payment for such goods or services; or

(iv) undertakes any activities relating to such sale or purchase of such goods or services;

(b) "information technology service" means any service in relation to designing, developing or maintaining of computer software, or computerised data processing or system networking, or any other service primarily in relation to operation of computer systems,';

(vi) after clause (24a), the following clause shall be inserted, namely:—

'(24b) "cleaning activity" means cleaning, including specialised cleaning services such as disinfecting, exterminating or sterilising of objects or premises, of—

(i) commercial or industrial buildings and premises thereof, or

(ii) factory, plant or machinery, tank or reservoir of such commercial or industrial buildings and premises thereof,

but does not include such services in relation to agriculture, horticulture, animal husbandry or dairying,';

(vii) after clause (25), the following clauses shall be inserted, namely:—

'(25a) "club or association" means any person or body of persons providing services, facilities or advantages, for a subscription or any other amount, to its members, but does not include—

(i) any body established or constituted by or under any law for the time being in force; or

(ii) any person or body of persons engaged in the activities of trade unions, promotion of agriculture, horticulture or animal husbandry; or

(iii) any person or body of persons engaged in any activity having objectives which are in the nature of public service and are of a charitable, religious or political nature; or

(iv) any person or body of persons associated with press or media;

(25b) "commercial or industrial construction service" means—

(a) construction of a new building or a civil structure or a part thereof; or

(b) construction of pipeline or conduit; or

(c) completion and finishing services such as glazing, plastering, painting, floor and wall tiling, wall covering and wall papering, wood and metal joinery and carpentry, fencing and railing, construction of swimming pools, acoustic applications or fittings and other similar services, in relation to building or civil structure; or

(d) repair, alteration, renovation or restoration of, or similar services in relation to, building or civil structure, pipeline or conduit,

which is—

(i) used, or to be used, primarily for; or

(ii) occupied, or to be occupied, primarily with; or

(iii) engaged, or to be engaged, primarily in,

commerce or industry, or work intended for commerce or industry, but does not include such services provided in respect of roads, airports, railways, transport terminals, bridges, tunnels and dams;';

(viii) for clause (30a), the following clause shall be substituted, namely:—

'(30a) "construction of complex" means—

(a) construction of a new residential complex or a part thereof; or

(b) completion and finishing services in relation to residential complex such as glazing, plastering, painting, floor and wall tiling, wall covering and wall papering, wood and metal joinery and carpentry, fencing and railing, construction of swimming pools, acoustic applications or fittings and other similar services; or

(c) repair, alteration, renovation or restoration of, or similar services in relation to, residential complex';

(ix) after clause (36), the following clause shall be inserted, namely:—

'(36a) "dredging" includes removal of material including, silt, sediments, rocks, sand, refuse, debris, plant or animal matter in any excavating, cleaning, deepening, widening or lengthening, either permanently or temporarily, of any river, port, harbour, backwater or estuary;';

(x) for clause (39a), the following clause shall be substituted, namely:—

'(39a) "erection, commissioning or installation" means any service provided by a commissioning and installation agency, in relation to,—

(i) erection, commissioning or installation of plant, machinery or equipment; or

(ii) installation of—

(a) electrical and electronic devices, including wirings or fittings therefor; or

(b) plumbing, drain laying or other installations for transport of fluids; or

(c) heating, ventilation or air-conditioning including related pipe work, duct work and sheet metal work; or

(d) thermal insulation, sound insulation, fire proofing or water proofing; or

(e) lift and escalator, fire escape staircases or travelators; or

(f) such other similar services;';

(xi) for clause (47), the following clause shall be substituted, namely:—

'(47) "franchise" means an agreement by which the franchisee is granted representational right to sell or manufacture goods or to provide service or undertake any process identified with franchisor, whether or not a trade mark, service mark, trade name or logo or any such symbol, as the case may be, is involved;';

(xii) in clause (55b), in sub-clause (a), for the words ", whether permanently or otherwise", the word "temporarily" shall be substituted;

(xiii) after clause (63), the following clause shall be inserted, namely:—

'(63a) "mailing list compilation and mailing" means any service in relation to—

(i) compiling and providing list of name, address and any other information from any source; or

(ii) sending document, information, goods or any other material in a packet, by whatever name called, by addressing, stuffing, sealing, metering or mailing,

for, or on behalf of, the client;'

(xiv) for clause (64), the following clause shall be substituted, namely:—

'(64) "maintenance or repair" means any service provided by—

(i) any person under a contract or an agreement; or

(ii) a manufacturer or any person authorised by him,

in relation to,—

(a) maintenance or repair including reconditioning or restoration, or servicing of any goods or equipment, excluding motor vehicle; or

(b) maintenance or management of immovable property;'

(xv) for clause (68), the following clause shall be substituted, namely:—

'(68) "manpower recruitment or supply agency" means any commercial concern engaged in providing any service, directly or indirectly,

in any manner for recruitment or supply of manpower, temporarily or otherwise, to a client;';

(xvi) in clause (76a), after the words "other than his own", the words "but including a place provided by way of tenancy or otherwise by the person receiving such services" shall be inserted;

(xvii) after clause (76a), the following clause shall be inserted, namely:—

'(76b) "packaging activity" means packaging of goods including pouch filling, bottling, labelling or imprinting of the package, but does not include any packaging activity that amounts to 'manufacture' within the meaning of clause (f) of section 2 of the Central Excise Act, 1944;';

(xviii) after clause (91), the following clause shall be inserted, namely:—

'(91a) "residential complex" means any complex comprising of—

(i) a building or buildings, having more than twelve residential units;

(ii) a common area; and

(iii) any one or more of facilities or services such as park, lift, parking space, community hall, common water supply or effluent treatment system,

located within a premises and the layout of such premises is approved by an authority under any law for the time being in force, but does not include a complex which is constructed by a person directly engaging any other person for designing or planning of the layout, and the construction of such complex is intended for personal use as residence by such person.

Explanation.—For the removal of doubts, it is hereby declared that for the purposes of this clause,—

(a) "personal use" includes permitting the complex for use as residence by another person on rent or without consideration;

(b) "residential unit" means a single house or a single apartment intended for use as a place of residence;';

(xix) after clause (97), the following clause shall be inserted, namely:—

'(97a) "site formation and clearance, excavation and earthmoving and demolition" includes,—

(i) drilling, boring and core extraction services for construction, geophysical, geological or similar purposes; or

(ii) soil stabilization; or

(iii) horizontal drilling for the passage of cables or drain pipes; or

(iv) land reclamation work; or

(v) contaminated top soil stripping work; or

(vi) demolition and wrecking of building, structure or road,

but does not include such services provided in relation to agriculture, irrigation, watershed development and drilling, digging, repairing, renovating or restoring of water sources or water bodies;';

(xx) for clause (98), the following clause shall be substituted, namely:—

'(98) "sound recording" means recording of sound on any media or device including magnetic storage device, and includes services relating to recording of sound in any manner such as sound cataloguing, storing

of sound and sound mixing or re-mixing or any audio post-production activity;—

(xxi) after clause (104a), the following clause shall be inserted, namely:—

'(104b) "survey and map-making" means geological, geophysical or any other prospecting, surface, sub-surface or aerial surveying or map-making of any kind, but does not include survey and exploration of minerals;'

(xxii) in clause (105),—

(a) for the words "service provided", the words "service provided or to be provided" shall be substituted;

(b) for sub-clause (k), the following sub-clause shall be substituted, namely:—

"(k) to a client, by a manpower recruitment or supply agency in relation to the recruitment or supply of manpower, temporarily or otherwise, in any manner;"

(c) in sub-clause (m), for the words "provided to the client in relation to such use and also the services, if any, rendered as a caterer", the words "provided or to be provided to the client in relation to such use and also the services, if any, provided or to be provided as a caterer" shall be substituted;

(d) in sub-clause (zz), for the words "collecting the broadcasting charges on behalf of the said agency", the words "collecting the broadcasting charges or permitting the rights to receive any form of communication like sign, signal, writing, picture, image and sounds of all kinds by transmission of electro-magnetic waves through space or through cables, direct to home signals or by any other means to cable operator, including multisystem operator or any other person on behalf of the said agency" shall be substituted;

(e) in sub-clause (zo), for the words "or repair of motor cars", the words ", repair, reconditioning or restoration of motor cars, light motor vehicles" shall be substituted;

(f) sub-clause (zzf) shall be omitted;

(g) in sub-clause (zzk), for the words, brackets and letters "sub-clauses (zm) and (zp)", the word, brackets and letters "sub-clause (zm)" shall be substituted;

(h) in sub-clause (zzq), for the words "construction service", the words "commercial or industrial construction service" shall be substituted;

(i) in sub-clause (zzw), for the word "rendered", the words "provided or to be provided" shall be substituted;

(j) after sub-clause (zzy), the following sub-clauses shall be inserted, namely:—

"(zz) to any person, by any other person, in relation to transport of goods other than water, through pipeline or other conduit;

(zzza) to any person, by any other person, in relation to site formation and clearance, excavation and earthmoving and demolition and such other similar activities;

(zzzb) to any person, by any other person, in relation to dredging;

(zzc) to any person, by any other person, other than by an agency under the control of, or authorised by, the Government, in relation to survey and map-making;

(zzd) to any person, by any other person, in relation to cleaning activity;

(zze) to its members, by any club or association in relation to provision of services, facilities or advantages for a subscription or any other amount;

(zzf) to any person, by any other person, in relation to packaging activity;

(zzg) to any person, by any other person, in relation to mailing list compilation and mailing;

(zzh) to any person, by any other person, in relation to construction of complex;" ;

(k) at the end, the following *Explanation* shall be inserted, namely:—

"*Explanation*.—For the removal of doubts, it is hereby declared that where any service provided or to be provided by a person, who has established a business or has a fixed establishment from which the service is provided or to be provided, or has his permanent address or usual place of residence, in a country other than India and such service is received or to be received by a person who has his place of business, fixed establishment, permanent address or, as the case may be, usual place of residence, in India, such service shall be deemed to be taxable service for the purposes of this clause;" ;

(xxii) for clause (120), the following clause shall be substituted, namely:—

'(120) "video-tape production" means the process of any recording of any programme, event or function on a magnetic tape or on any other media or device and includes services relating thereto such as editing, cutting, colouring, dubbing, title printing, imparting special effects, processing, adding, modifying or deleting sound, transferring from one media or device to another, or undertaking any video post-production activity, in any manner,';

(b) in section 66, with effect from such date as the Central Government may, by notification in the Official Gazette, appoint,—

(i) for the brackets and letters "(zzj), (zzk)", the brackets and letters "(zzl)" shall be substituted;

(ii) for the word, brackets and letters "and (zzy)", the brackets, letters and word", (zzy), (zzz), (zzza), (zzzb), (zzc), (zzda), (zzze), (zzf), (zzg) and (zzh)" shall be substituted;

(c) in section 67,—

(i) for the words "rendered by him", the words "provided or to be provided by him" shall be substituted;

(ii) after *Explanation* 2, the following *Explanation* shall be inserted, namely:—

"*Explanation* 3.—For the removal of doubts, it is hereby declared that the gross amount charged for the taxable service shall include any amount received towards the taxable service before, during or after provision of such service.";

(d) section 69 shall be numbered as sub-section (1) thereof, and after sub-section (1) as so numbered, the following sub-section shall be inserted, namely:—

"(2) The Central Government may, by notification in the Official Gazette, specify such other person or class of persons, who shall make an application for registration within such time and in such manner and in such form as may be prescribed.";

(e) section 70 shall be numbered as sub-section (1) thereof, and after sub-section (1) as so numbered, the following sub-section shall be inserted, namely:—

"(2) The person or class of persons notified under sub-section (2) of section 69, shall furnish to the Superintendent of Central Excise, a return in such form and in such manner and at such frequency as may be prescribed.";

(f) in section 73, for the words "Assistant Commissioner of Central Excise or, as the case may be, the Deputy Commissioner of Central Excise", wherever they occur, the words "Central Excise Officer" shall be substituted;

(g) in section 74, for the words "Assistant Commissioner of Central Excise or, as the case may be, the Deputy Commissioner of Central Excise", wherever they occur, the words "Central Excise Officer" shall be substituted;

(h) in section 78, in the first proviso, for the words "Assistant Commissioner of Central Excise or, as the case may be, the Deputy Commissioner of Central Excise", the words "Central Excise Officer" shall be substituted;

(i) in section 83, for the figures and letter "15, 35F,", the figures and letters "15, 33A, 35F" shall be substituted;

(j) after section 83, the following section shall be inserted, namely:—

'83A. Where under this Chapter or the rules made thereunder any person is liable to a penalty, such penalty may be adjudged by the Central Excise Officer conferred with such power as the Central Board of Excise and Customs constituted under the Central Boards of Revenue Act, 1963, may, by notification in the Official Gazette, specify.';

Power of adjudication.

54 of 1963.

(k) in section 84,—

(a) in sub-section (1), for the words "which has been taken by the Assistant Commissioner of Central Excise or, as the case may be, Deputy Commissioner of Central Excise", the words "in which an adjudicating authority subordinate to him has passed any decision or order" shall be substituted;

(b) in sub-section (3), for the words "the Assistant Commissioner of Central Excise or, as the case may be, Deputy Commissioner of Central Excise", the words "such adjudicating authority" shall be substituted;

(l) in section 85,—

(a) for sub-section (1), the following sub-section shall be substituted, namely:—

"(1) Any person aggrieved by any decision or order passed by an adjudicating authority subordinate to the Commissioner of Central Excise may appeal to the Commissioner of Central Excise (Appeals).";

(b) in sub-section (3), for the words "the Assistant Commissioner of Central Excise or, as the case may be, Deputy Commissioner of Central Excise", the words "such adjudicating authority" shall be substituted;

(m) in section 86,—

(a) in sub-section (1), for the word and figures "section 84", the words, letter and figures "section 73 or section 83A or section 84" shall be substituted;

- (b) in sub-section (2), for the word and figures "section 84", the words, letter and figures "section 73 or section 83A or section 84" shall be substituted;
- (c) in sub-section (2A), for the words "the Assistant Commissioner of Central Excise or, as the case may be, Deputy Commissioner of Central Excise to appeal", the words "any Central Excise Officer to appeal on his behalf" shall be substituted;
- (d) in sub-section (4), for the words "Assistant Commissioner of Central Excise or Deputy Commissioner of Central Excise", the words "any Central Excise Officer subordinate to him" shall be substituted;
- (n) in section 94, in sub-section (2),—
- (i) in clause (b), for the words and figures "under section 69", the words, brackets and figures "under sub-sections (1) and (2) of section 69" shall be substituted;
- (ii) in clause (c), for the words and figures "under section 70", the words, brackets and figures "under sub-sections (1) and (2) of section 70" shall be substituted;
- (o) in section 96A,—
- (i) for clause (b), the following clause shall be substituted, namely:—
- (b) "applicant" means any person who,—
- (i) (a) a non-resident setting up a joint venture in India in collaboration with a non-resident or a resident; or
- (b) is a resident setting up a joint venture in India in collaboration with a non-resident; or
- (c) is a wholly owned subsidiary Indian company, of which the holding company is a foreign company,
- who or which, as the case may be, proposes to undertake any business activity in India;
- (ii) is a joint venture in India; or
- (iii) a resident falling within any such class or category of persons, as the Central Government may, by notification in the Official Gazette, specify in this behalf,
- and which or who, as the case may be, makes application for advance ruling under sub-section (1) of section 96C; ;
- (ii) in clause (d), for the words "Authority for Advance Rulings", the words and brackets "Authority for Advance Rulings (Central Excise, Customs and Service Tax)" shall be substituted.

CHAPTER VI

CENTRAL SALES TAX

74 of 1956.

89. In section 2 of the Central Sales Tax Act, 1956 (hereinafter referred to as the Central Sales Tax Act),—

Amendment
of section 2.

- (a) in clause (h), the following proviso shall be inserted at the end, namely:—

"Provided that in the case of a transfer of property in goods (whether as goods or in some other form) involved in the execution of a works contract, the sale price of such goods shall be determined in the prescribed manner by making such deduction from the total consideration for the works contract as may be prescribed and such price shall be deemed to be the sale price for the purposes of this clause.";

(b) for clause (i), the following clause shall be substituted, namely:—

'(i) "sales tax law" means any law for the time being in force in any State or part thereof which provides for the levy of taxes on the sale or purchase of goods generally or on any specified goods expressly mentioned in that behalf and includes value added tax law, and "general sales tax law" means any law for the time being in force in any State or part thereof which provides for the levy of tax on the sale or purchase of goods generally and includes value added tax law';

(c) after clause (j), the following clause shall be inserted, namely:—

'(ja) "works contract" means a contract for carrying out any work which includes assembling, construction, building, altering, manufacturing, processing, fabricating, erection, installation, fitting out, improvement, repair or commissioning of any movable or immovable property';

Amendment
of section 5.

90. In section 5 of the Central Sales Tax Act, after sub-section (3), the following sub-sections shall be inserted, namely:—

'(4) The provisions of sub-section (3) shall not apply to any sale or purchase of goods unless the dealer selling the goods furnishes to the prescribed authority in the prescribed manner a declaration duly filled and signed by the exporter to whom the goods are sold in a prescribed form obtained from the prescribed authority.

(5) Notwithstanding anything contained in sub-section (1), if any designated Indian carrier purchases Aviation Turbine Fuel for the purposes of its international flight, such purchase shall be deemed to take place in the course of the export of goods out of the territory of India.

Explanation.—For the purposes of this sub-section, "designated Indian carrier" means any carrier which the Central Government may, by notification in the Official Gazette, specify in this behalf.'

Amendment
of section 6.

91. In section 6 of the Central Sales Tax Act, for sub-section (3), the following sub-sections shall be substituted, namely:—

"(3) Notwithstanding anything contained in this Act, no tax under this Act shall be payable by any dealer in respect of sale of any goods made by such dealer, in the course of inter-State trade or commerce, to any official, personnel, consular or diplomatic agent of—

(i) any foreign diplomatic mission or consulate in India; or

(ii) the United Nations or any other similar international body,

entitled to privileges under any convention or agreement to which India is a party or under any law for the time being in force, if such official, personnel, consular or diplomatic agent, as the case may be, has purchased such goods for himself or for the purposes of such mission, consulate, United Nations or other body.

(4) The provisions of sub-section (3) shall not apply to the sale of goods made in the course of inter-State trade or commerce unless the dealer selling such goods furnishes to the prescribed authority a certificate in the prescribed manner on the prescribed form duly filled and signed by the official, personnel, consular or diplomatic agent, as the case may be."

Amendment of
section 13.

92. In section 13 of the Central Sales Tax Act, in sub-section (1), clause (aa) shall be re-lettered as clause (ab) thereof, and before clause (ab) as so re-lettered, the following clause shall be inserted, namely:—

"(aa) the manner of determination of the sale price and the deductions from the total consideration for a works contract under the proviso to clause (i) of section 2;".

CHAPTER VII

BANKING CASH TRANSACTION TAX

Extent,
commencement
and
application.

93. (1) This Chapter extends to the whole of India except the State of Jammu and

(2) It shall come into force on the 1st day of June, 2005.

(3) It shall apply to taxable banking transactions entered into on or after the commencement of this Chapter.

94. In this Chapter, unless the context otherwise requires,—

Definitions.

43 of 1961.

(1) "Appellate Tribunal" means the Appellate Tribunal constituted under section 252 of the Income-tax Act, 1961;

54 of 1963.

(2) "Assessing Officer" means the Income-tax Officer or Assistant Commissioner of Income-tax or Deputy Commissioner of Income-tax or Joint Commissioner of Income-tax or Additional Commissioner of Income-tax who is authorised by the Board to exercise or perform all or any of the powers and functions conferred on, or assigned to, an Assessing Officer under this Chapter;

43 of 1961.

(3) "banking cash transaction tax" means tax leviable on the taxable banking transactions under the provisions of this Chapter;

(4) "Board" means the Central Board of Direct Taxes constituted under the Central Boards of Revenue Act, 1963;

23 of 1955.

(5) "person" shall have the same meaning as in clause (31) of section 2 of the Income-tax Act, 1961 and includes an office or establishment of the Central Government or the Government of a State;

38 of 1959.

(6) "prescribed" means prescribed by rules made by the Board under this Chapter;

5 of 1970.

(7) "scheduled bank" means the State Bank of India constituted under the State Bank of India Act, 1955, a subsidiary bank as defined in the State Bank of India (Subsidiary Banks) Act, 1959, a corresponding new bank constituted under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1970, or

40 of 1980.

under section 3 of the Banking Companies (Acquisition and Transfer of Undertakings) Act, 1980, or any other bank being a bank included in the Second Schedule to the Reserve Bank of India Act, 1934;

2 of 1934.

(8) "taxable banking transaction" means—

(a) a transaction, being withdrawal of cash (by whatever mode) exceeding ten thousand rupees on any single day by a person from any scheduled bank, or;

(b) a transaction, being purchase of a bank draft or banker's cheque or any other financial instrument on payment of cash exceeding ten thousand rupees on any single day by a person from any scheduled bank; or

(c) a transaction, being receipt of cash from any scheduled bank exceeding ten thousand rupees on any single day by a Person on encashment of term deposit, whether on maturity or otherwise, from that bank;

26 of 1881.

(9) words and expressions used but not defined in this Chapter and defined in the Negotiable Instruments Act, 1881, the Reserve Bank of India Act, 1934, the Banking Regulation Act, 1949, the Income-tax Act, 1961, or the rules or regulations made thereunder, shall apply, so far as may be, in relation to banking cash transaction tax.

2 of 1934.

95. (1) On and from the commencement of this Chapter, there shall be charged a banking cash transaction tax, in respect of every taxable banking transaction of the value exceeding ten thousand rupees and entered into on or after the 1st day of June, 2005, at the rate of 0.1 per cent. of the value of every such taxable banking transaction.

10 of 1949.

43 of 1961

**Charge of
banking cash
transaction
tax.**

(2) The banking cash transaction tax referred to in sub-section (1) shall be payable,—

(i) in respect of taxable banking transaction referred to in sub-clause (a) of clause (8) of section 94, by the person who withdraws the cash from any scheduled bank;

(ii) in respect of taxable banking transaction referred to in sub-clause (b) of clause (8) of section 94, by the person who purchases a bank draft or banker's cheque or any other financial instrument from any scheduled bank;

(iii) in respect of taxable banking transaction referred to in sub-clause (c) of clause (8) of section 94, by the person who received the cash on encashment of term deposit;

(iv) in respect of taxable banking transaction being withdrawal of cash exceeding ten thousand rupees by way of bearer cheque or such other instrument, by the bearer of such cheque or instrument to whom such payment is made in cash by the scheduled bank:

Provided that no banking cash transaction tax shall be payable if the amount of term deposit is credited to any account with the bank.

96. The value of taxable banking transaction shall be,—

(i) in respect of taxable banking transaction referred to in sub-clause (a) of clause (8) of section 94, the amount of cash withdrawn;

(ii) in respect of taxable banking transaction referred to in sub-clause (b) of clause (8) of section 94, the amount of cash deposited;

(iii) in respect of taxable banking transaction referred to in sub-clause (c) of clause (8) of section 94, the amount of cash received on encashment of term deposit.

Value of
taxable
banking
transaction.

97. (1) Every scheduled bank shall collect the banking cash transaction tax from every person, being a person referred to in clause (i) or clause (ii) or clause (iii) of sub-section (2) of section 95 who enters into a taxable banking transaction with that bank, at the rate specified in section 95.

(2) The banking cash transaction tax collected during any calendar month in accordance with the provisions of sub-section (1) shall be paid by every scheduled bank to the credit of the Central Government by the fifteenth day of the month immediately following the said calendar month.

(3) Any scheduled bank, who fails to collect the tax in accordance with the provisions of sub-section (1), shall, notwithstanding such failure, be liable to pay the tax to the credit of the Central Government in accordance with the provisions of sub-section (2).

Scheduled
bank to
furnish
prescribed
return.

98. (1) Every scheduled bank (hereafter in this Chapter referred to as assessee) shall, within the prescribed time after the end of each financial year, prepare and deliver or cause to be delivered to the Assessing Officer or to any other authority or agency authorised by the Board in this behalf, a return in such form and verified in such manner and setting forth such particulars as may be prescribed, in respect of all taxable banking transactions entered into during such financial year in the scheduled bank.

(2) Where any assessee fails to furnish the return under sub-section (1) within the prescribed time, the Assessing Officer may issue a notice to such assessee and serve it upon him, requiring him to furnish the return in the prescribed form and verified in the prescribed manner setting forth such particulars within such time as may be prescribed.

(3) Any assessee who has not furnished the return within the time allowed under sub-section (1) or sub-section (2), or having furnished a return under sub-section (1) or sub-section (2), discovers any omission or wrong statement therein, may furnish a return or a revised return, as the case may be, at any time before the assessment is made.

Assessment.

99. (1) For the purposes of making an assessment under this Chapter, the Assessing Officer may serve on any assessee, who has furnished a return under sub-section (1) or sub-section (3) of section 98 or upon whom a notice has been served under sub-section (2) of section 98 (whether a return has been furnished or not), a notice requiring him to produce or cause to be produced on a date to be specified therein such accounts or documents or other evidence as the Assessing Officer may require for the purposes of this Chapter and may, from time to time, serve further notices requiring the production of such further accounts or documents or other evidence as he may require.

(2) The Assessing Officer, after considering such accounts, documents or other evidence, if any, as he has obtained under sub-section (1) and after taking into account any

other relevant material which he has gathered, shall, by an order in writing, assess the value of taxable banking transactions during the relevant financial year and determine the amount of banking cash transaction tax payable or refundable on the basis of such assessment:

Provided that no assessment shall be made under this sub-section after the expiry of two years from the end of the relevant financial year.

(3) Every assessee, in case any amount is refunded to it on assessment under sub-section (2), shall, within such time as may be prescribed, refund such amount to the concerned person from whom such amount was collected.

100. (1) With a view to rectifying any mistake apparent from the record, the Assessing Officer may amend any order passed by him under the provisions of this Chapter within one year from the end of the financial year in which the order sought to be amended was passed.

Rectification
of mistake.

(2) Where any matter has been considered and decided in any proceeding by way of appeal relating to an order referred to in sub-section (1), the Assessing Officer passing such order may, notwithstanding anything contained in any law for the time being in force, amend the order under that sub-section in relation to any matter other than the matter which has been so considered and decided.

(3) Subject to the other provisions of this section, the Assessing Officer may—

- (a) make an amendment under sub-section (1) of his own motion; or
- (b) make such amendment if any mistake is brought to his notice by the assessee.

(4) An amendment, which has the effect of enhancing an assessment or reducing a refund or otherwise increasing the liability of the assessee, shall not be made under this section unless the Assessing Officer concerned has given notice to the assessee of his intention so to do and has allowed the assessee a reasonable opportunity of being heard.

(5) Where an amendment is made under this section, an order shall be passed in writing by the Assessing Officer.

(6) Subject to the other provisions of this Chapter, where any such amendment has the effect of reducing the assessment, the Assessing Officer shall make any refund, which may be due to such assessee.

(7) Where any such amendment has the effect of enhancing the assessment or reducing the refund already made, the Assessing Officer shall make an order specifying the sum payable by the assessee and the provisions of this Chapter shall apply accordingly.

101. Every assessee who fails to credit the banking cash transaction tax or any part thereof as required under section 97, to the account of the Central Government within the period specified in that section, shall pay simple interest at the rate of one per cent. of such tax for every month or part of a month by which such crediting of the tax or any part thereof is delayed.

Interest on
delayed
payment of
banking cash
transaction tax.

102. Any assessee who—

(a) fails to collect the whole or any part of the banking cash transaction tax as required under section 97; or

(b) having collected the banking cash transaction tax, fails to pay such tax to the credit of the Central Government in accordance with the provisions of sub-section (2) of section 97,

shall be liable to pay,—

(i) in the case referred to in clause (a), in addition to paying the tax in accordance with the provisions of sub-section (3) of section 97, or interest, if any, in accordance with the provisions of section 101, by way of penalty, a sum equal to the amount of banking cash transaction tax that it failed to collect; and

(ii) in the case referred to in clause (b), in addition to paying the tax in accordance with the provisions of sub-section (2) of section 97 and interest in accordance with the

Penalty for
failure to
collect or pay
banking cash
transaction
tax.

Penalty for failure to furnish prescribed return.

provisions of section 101, by way of penalty, a sum of one thousand rupees for every day during which the failure continues, so, however, that the penalty under this clause shall not exceed the amount of banking cash transaction tax that it failed to pay.

103. If an assessee fails to furnish in due time the return which it is required to furnish under sub-section (1) of section 98 or by notice given under sub-section (2) of that section, it shall be liable to pay, by way of penalty, a sum of one hundred rupees for every day during which the failure continues.

Penalty for failure to comply with notice.

104. If the Assessing Officer in the course of any proceedings under this Chapter is satisfied that any person has failed to comply with a notice under sub-section (1) of section 99, he may direct that such person shall pay, by way of penalty, in addition to any banking cash withdrawal transaction tax and interest, if any, payable by him, a sum of ten thousand rupees for each such failure.

Penalty not to be imposed in certain cases.

105. Notwithstanding anything contained in the provisions of section 102 or section 103 or section 104, no penalty shall be imposable for any failure referred to in the said provisions if the assessee proves that there was reasonable cause for the said failure:

Provided that no order imposing a penalty under this Chapter shall be made unless the assessee has been given a reasonable opportunity of being heard.

Application of certain provisions of Act 43 of 1961.

106. The provisions of the following sections of the Income-tax Act, 1961, as in force from time to time, shall apply, so far as may be, in relation to banking cash transaction tax as they apply in relation to income-tax:—

120, 131, 133A, 156, 178, 220 to 227, 229, 232, 260A, 261, 262, 265 to 269, 278B, 282 and 288 to 293.

Appeals to Commissioner of Income-tax (Appeals)

107. (1) Any assessee aggrieved by any assessment order passed by the Assessing Officer under section 99 or any order under section 100, or denying his liability to be assessed under this Chapter, or by an order levying penalty under this Chapter, may appeal to the Commissioner of Income-tax (Appeals) within thirty days from the date of receipt of the order of the Assessing Officer.

(2) Every appeal under sub-section (1) shall be in the prescribed form and shall be verified in the prescribed manner and shall be accompanied by a fee of one thousand rupees.

(3) Where an appeal has been filed under the provisions of sub-section (1), the provisions of sections 249 to 251 of the Income-tax Act, 1961, shall, as far as may be, apply.

43 of 1961.

Appeals to Appellate Tribunal.

108. (1) Any assessee aggrieved by an order passed by a Commissioner of Income-tax (Appeals) under section 107 may appeal to the Appellate Tribunal against such order.

(2) The Commissioner of Income-tax may, if he objects to any order passed by the Commissioner of Income-tax (Appeals) under section 107, direct the Assessing Officer to appeal to the Appellate Tribunal against such order.

(3) Every appeal under sub-section (1) or sub-section (2) shall be filed within sixty days of the date on which the order sought to be appealed against is received by the assessee, or by the Commissioner of Income-tax, as the case may be.

(4) Every appeal under sub-section (1) or sub-section (2) shall be in the prescribed form and shall be verified in the prescribed manner and in the case of an appeal filed under sub-section (1) shall be accompanied by a fee of one thousand rupees.

(5) Where an appeal has been filed before the Appellate Tribunal under sub-section (1) or sub-section (2), the provisions of sections 252 to 255 of the Income-tax Act, 1961, shall, as far as may be, apply.

43 of 1961.

False statement in verification, etc.

109. (1) If a person makes a statement in any verification under this Chapter or any rule made thereunder, or delivers an account or statement, which is false, and which he either knows or believes to be false, or does not believe to be true, he shall be punishable with imprisonment for a term which may extend to three years and with fine.

2 of 1974.

(2) Notwithstanding anything contained in the Code of Criminal Procedure, 1973, an offence punishable under sub-section (1) shall be deemed to be non-cognizable within the meaning of that Code.

110. A person shall not be proceeded against for any offence under section 109 except with the previous sanction of the Chief Commissioner of Income-tax.

Institution of proceedings.

111. (1) The Central Government may, by notification in the Official Gazette, make rules for carrying out the provisions of this Chapter.

Power to make rules.

(2) In particular, and without prejudice to the generality of the foregoing power, such rules may provide for all or any of the following matters, namely:—

(a) the time within which the return shall be delivered or caused to be delivered to the Assessing Officer or to any other agency and the form and the manner in which such return shall be furnished under sub-section (1) or sub-section (2) of section 98;

(b) the time within which the return shall be furnished on receipt of notice under sub-section (2) of section 98;

(c) the time within which refund shall be made under sub-section (3) of section 99;

(d) the form in which an appeal under section 107 or section 108 may be filed and the manner in which they may be verified;

(e) any other matter which by this Chapter is to be, or may be, prescribed.

(3) Every rule made under this Chapter shall be laid, as soon as may be after it is made, before each House of Parliament, while it is in session for a total period of thirty days which may be comprised in one session or in two or more successive sessions, and if, before the expiry of the session immediately following the session or the successive sessions aforesaid, both Houses agree in making any modification in the rule or both Houses agree that the rule should not be made, the rule shall thereafter have effect only in such modified form or be of no effect, as the case may be; so, however, that any such modification or annulment shall be without prejudice to the validity of anything previously done under that rule.

112. (1) If any difficulty arises in giving effect to the provisions of this Chapter, the Central Government may, by order published in the Official Gazette, not inconsistent with the provisions of this Chapter, remove the difficulty:

Power to remove difficulties.

Provided that no such order shall be made after the expiry of a period of two years from the date on which the provisions of this Chapter come into force.

(2) Every order made under this section shall be laid, as soon as may be after it is made, before each House of Parliament.

CHAPTER VIII

MISCELLANEOUS

113. In section 3 of the Government Savings Banks Act, 1873, in the definition of "depositor", the following proviso shall be inserted, namely:—

Amendment of Act 5 of 1873.

'Provided that on and after the date on which the Finance Bill, 2005 receives the assent of the President, the provisions of this clause shall have effect as if for the words "a person", the words "an individual" had been substituted.'

114. After section 8A of the Indian Stamp Act, 1899, the following section shall be inserted, namely:—

Insertion of new section 8B in Act 2 of 1899.

'8B. Notwithstanding anything contained in this Act or any other law for the time being in force,—

(a) a scheme for corporatisation or demutualisation, or both of a recognised stock exchange; or

Corporatisation and demutualisation schemes and related instruments not liable to duty.

(b) any instrument, including an instrument of, or relating to, transfer of any property, business, asset whether movable or immovable, contract, right, liability and obligation, for the purpose of, or in connection with, the corporatisation or demutualisation, or both of a recognised stock exchange pursuant to a scheme,

as approved by the Securities and Exchange Board of India under sub-section (2) of section 4B of the Securities Contracts (Regulation) Act, 1956, shall not be liable to duty under this Act or any other law for the time being in force.

42 of 1956.

Explanation.—For the purposes of this section,—

(a) the expressions "corporatisation", "demutualisation" and "scheme" shall have the meanings respectively assigned to them in clauses (aa), (ab) and (ga) of section 2 of the Securities Contracts (Regulation) Act, 1956;

(b) "Securities and Exchange Board of India" means the Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992.'

42 of 1956.

15 of 1992.

Amendment
of section 2
of Act 49 of
1950.

115. Section 2 of the Contingency Fund of India Act, 1950 shall be numbered as sub-section (1) thereof, and after sub-section (1) as so numbered, the following sub-section shall be inserted, namely:—

"(2) On and from the date on which the Finance Bill, 2005 receives the assent of the President, the sum which shall be paid from and out of the Consolidated Fund of India into the Contingency Fund of India under sub-section (1) shall stand enhanced to five hundred crores of rupees."

116. For the First Schedule to the Additional Duties of Excise (Goods of Special Importance) Act, 1957, the Schedule specified in the Tenth Schedule shall be substituted.

Substitution
of new Sche-
dule for First
Schedule to
Act 58 of 1957.

Amendment
of section 2
of Act 46 of
1959.

117. In section 2 of the Government Savings Certificates Act, 1959, for clause (a), the following clauses shall be substituted, namely:—

(a) "holder", in relation to a savings certificate, means—

(i) a person who holds the savings certificate issued in accordance with the provisions of this Act and of any rules made thereunder at any time before the date on which the Finance Bill, 2005 receives the assent of the President; and

(ii) an individual who holds the savings certificate issued in accordance with the provisions of this Act and of any rules made thereunder at any time on or after the date on which the Finance Bill, 2005 receives the assent of the President;

(aa) "minor" means a person who is not deemed to have attained his majority under the Majority Act, 1875;.

9 of 1875.

Substitution of
new Schedule
for Schedule to
Act 40 of
1978.

Amendment
of Second
Schedule to
Act 21 of
1998.

Amendment
of Second
Schedule to
Act 27 of
1999.

Amendment
of section 10
of Act 54 of
2000.

118. For the Schedule to the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978, the Schedule specified in the Eleventh Schedule shall be substituted.

119. In the Finance (No. 2) Act, 1998, in the Second Schedule, for the entry in column (3), the entry "Rupee two per litre" shall be substituted.

120. In the Finance Act, 1999, in the Second Schedule, for the entry in column (3), the entry "Rupee two per litre" shall be substituted.

121. Section 10 of the Central Road Fund Act, 2000 shall be numbered as sub-section (1) thereof, and after sub-section (1) as so numbered, the following sub-section shall be inserted, namely:—

21 of 1998.

27 of 1999.

"(2) Notwithstanding anything contained in clause (vii) of sub-section (J), the Central Government shall, with effect from the 1st day of March, 2005, allocate fifty paise from the amount of rupee two as amended by sections 119 and 120 of the Finance Act, 2005 as the additional duty of customs and the additional duty of excise on petrol, levied under sub-section (I) of section 103 and sub-section (I) of section 111, as the case may be, of the Finance (No. 2) Act, 1998 and the additional duty of customs and the additional duty of excise on high speed diesel oil levied under sub-section (I) of section 116 and sub-section (I) of section 133, as the case may be, of the Finance Act, 1999, exclusively for the development and maintenance of national highways."

122. For the Seventh Schedule to the Finance Act, 2001, the Schedule specified in the Twelfth Schedule shall be substituted.

Substitution of new Schedule for Seventh Schedule to Act 14 of 2001.

123. In the Finance Act, 2003,—

Amendment of Act 32 of 2003.

- (a) section 128 shall be omitted;
- (b) in section 134, the *Explanation* shall be omitted;
- (c) section 157 shall be omitted;
- (d) in section 169, the portion beginning with the words "and the amendment so made" and ending with the words "repealed by a Central Act" shall be omitted with effect from the 31st day of March, 2005;
- (e) the Fourth Schedule shall be omitted.

124. In the Finance (No. 2) Act, 2004,—

Amendment of Act 23 of 2004.

- (a) in section 88, after sub-section (4), the following sub-sections shall be inserted, namely:—

58 of 1957.

5 of 1986.

"(5) Notwithstanding anything contained in sub-section (4), the following procedure shall be followed for the recovery of the CENVAT credit of additional duty leviable under section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 which has been availed but which would not have been availed if the amendment made by sub-section (J) was in force at all material times (hereinafter referred to in this section as the amount of credit), namely:—

(i) the Central Excise Officer shall, on or before the 25th day of May, 2005, serve notice on the person from whom the recovery is to be made (hereinafter referred to as the assessee), requiring the assessee to declare the amount of credit utilised by him on different dates for payment of duty of excise (hereinafter referred to as the CENVAT duty) leviable under the First Schedule or the Second Schedule to the Central Excise Tariff Act, 1985;

(ii) the assessee shall furnish the declaration as required under clause (i) on or before the 31st day of May, 2005;

(iii) the Central Excise Officer shall, after considering the declaration made by the assessee under clause (ii), determine the amount of credit utilised on different dates for payment of CENVAT duty;

(iv) the Central Excise Officer shall separately determine the amount of interest on the amount of credit (hereinafter referred to as the amount of interest) utilised for paying the CENVAT duty, in accordance with the provisions of clause (v);

(v) the amount of interest on amount of credit utilised for paying the CENVAT duty shall be at a rate of thirteen per cent. per annum for the period beginning on and from the day when each time the amount of credit was so utilised and ending on the 10th day of September, 2004;

(vi) the Central Excise Officer shall, on or before the 15th day of June, 2005, inform the assessee, in writing, the amount of credit and the amount of interest so determined under clauses (iii) and (iv);

(vii) the assessee shall pay an amount equal to one-thirty sixth part of each of the amount determined under clauses (iii) and (iv) by the fifth day of every month, commencing from the month, following the month of receipt of information of the amount determined by the Central Excise Officer;

(viii) the assessee may make payment on his own towards the amount of credit or, as the case may be, the amount of interest, in excess of the amount required to be paid up to a particular month;

(ix) where the assessee pays the total amount of credit and the amount of interest so determined under clauses (iii) and (iv), respectively, the Central Excise Officer shall issue an order confirming the payment of credit and the amount of interest and discharging the assessee from any recovery of the amount of credit;

(x) for the purposes of this sub-section, it is hereby clarified that the amount of credit has been fully utilised first towards payment of the CENVAT duty before utilising the CENVAT credit of additional duty leviable under section 3 of the Additional Duties of Excise (Goods of Special Importance) Act, 1957 paid on or after the 1st day of April, 2000 for payment of the CENVAT duty.

(6) Where the assessee fails to furnish the declaration as required under clause (i), or has furnished the declaration but failed to pay the amount by the day as specified in clause (vi), of sub-section (5), the provisions of sub-section (4) shall apply subject to the modification that the notice, requiring the assessee to show cause why he should not pay the amount specified in the notice, shall be served upon him within three months from the date of his such failure.";

(b) in section 94, in sub-section (1), clause (a) shall be re-lettered as clause (aa) thereof, and before clause (aa) as so re-lettered, the following clause shall be inserted, namely:—

"(a) the additional duty referred to in sub-section (5) of section 3 of the Customs Tariff Act, 1975;".

(c) in section 98, in the Table, with effect from the 1st day of June, 2005,—

(i) against Sl. No.1, under column (3) relating to rate, for the figures and words "0.075 per cent.", the figures and words "0.1 per cent." shall be substituted;

(ii) against Sl. No. 2, under column (3) relating to rate, for the figures and words "0.075 per cent.", the figures and words "0.1 per cent." shall be substituted;

(iii) against Sl. No. 3, under column (3) relating to rate, for the figures and words "0.015 per cent.", the figures and words "0.02 per cent." shall be substituted;

(iv) against Sl. No. 4, under column (3) relating to rate, for the figures and words "0.01 per cent.", the figures and words "0.0133 per cent." shall be substituted;

(v) against Sl. No. 5, under column (3) relating to rate, for the figures and words "0.15 per cent.", the figures and words "0.2 per cent." shall be substituted.

Declaration under the Provisional Collection of Taxes Act, 1931

It is hereby declared that it is expedient in the public interest that the provisions of clauses 72, 74, 85, 86, 119, 120 and 123(d) of this Bill shall have immediate effect under the Provisional Collection of Taxes Act, 1931.

THE FIRST SCHEDULE
(See section 2)

PART I

INCOME-TAX

Paragraph A

In the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,—

Rates of income-tax

- | | |
|--|---|
| (1) where the total income does not exceed Rs. 50,000 | <i>Nil;</i> |
| (2) where the total income exceeds Rs. 50,000 but does not exceed Rs. 60,000 | 10 per cent. of the amount by which the total income exceeds Rs. 50,000; |
| (3) where the total income exceeds Rs. 60,000 but does not exceed Rs. 1,50,000 | Rs. 1,000 <i>plus</i> 20 per cent. of the amount by which the total income exceeds Rs. 60,000; |
| (4) where the total income exceeds Rs. 1,50,000 | Rs. 19,000 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs. 1,50,000. |

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or in section 111A or section 112, shall,—

(i) in the case of every individual or Hindu undivided family or association of persons or body of individuals having a total income exceeding eight hundred and fifty thousand rupees, be reduced by the amount of rebate of income-tax calculated under Chapter VIII-A, and the income-tax as so reduced, be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax;

(ii) in the case of every person, other than those mentioned in item (i), be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax:

Provided that in case of persons mentioned in item (i) above having a total income exceeding eight hundred and fifty thousand rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of eight hundred and fifty thousand rupees by more than the amount of income that exceeds eight hundred and fifty thousand rupees.

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

- | | |
|--|--|
| (1) where the total income does not exceed Rs. 10,000 | 10 per cent. of the total income; |
| (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000 | Rs. 1,000 <i>plus</i> 20 per cent. of the amount by which the total income exceeds Rs. 10,000; |
| (3) where the total income exceeds Rs. 20,000 | Rs. 3,000 <i>plus</i> 30 per cent. of the amount by which the total income exceeds Rs. 20,000. |

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or in section 111A or section 112, shall, in the case of every co-operative society, be increased by a surcharge for purposes of the Union calculated at the rate of two and one-half per cent. of such income-tax.

Paragraph C

In the case of every firm.—

Rate of income-tax

On the whole of the total income **35 per cent.**

Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified, or in section 111A or section 112, shall, in the case of every firm, be increased by a surcharge for purposes of the Union calculated at the rate of two and one-half per cent. of such income-tax.

Paragraph D

In the case of every local authority,—

Rate of income-tax

On the whole of the total income 30 per cent.

Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified, or in section 111A or section 112, shall, in the case of every local authority, be increased by a surcharge for purposes of the Union calculated at the rate of two and one-half per cent. of such income-tax.

Paragraph E

In the case of a company.—

Rates of income-tax

I. In the case of a domestic company 35 per cent. of the total income;

II. In the case of a company other than a domestic company—

(i) on so much of the total income as consists of—

(a) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1961 but before the 1st day of April, 1976; or

(b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976.

and where such agreement has, in either case, been approved by the Central Government 50 per cent.;

(ii) on the balance, if any, of the total income 40 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or in section 111A or section 112, shall, in the case of every company, be increased by a surcharge for purposes of the Union calculated at the rate of two and one-half per cent. of such income-tax.

PART II

RATES FOR DEDUCTION OF TAX AT SOURCE IN CERTAIN CASES

In every case in which under the provisions of sections 193, 194, 194A, 194B, 194BB, 194D and 195 of the Income-tax Act, tax is to be deducted at the rates in force, deduction shall be made from the income subject to the deduction at the following rates:—

	Rate of income-tax
1. In the case of a person other than a company—	
(a) where the person is resident in India—	
(i) on income by way of interest other than "Interest on securities"	10 per cent.;
(ii) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(iii) on income by way of winnings from horse races	30 per cent.;
(iv) on income by way of insurance commission	10 per cent.;
(v) on income by way of interest payable on—	10 per cent.;
(A) any debentures or securities other than a security of the Central or State Government for money issued by or on behalf of any local authority or a corporation established by a Central, State or Provincial Act;	
(B) any debentures issued by a company where such debentures are listed on a recognised stock exchange in India in accordance with the Securities Contracts (Regulation) Act, 1956 (42 of 1956) and any rules made thereunder	
(vi) on any other income	20 per cent.;
(b) where the person is not resident in India—	
(i) in the case of a non-resident Indian—	
(A) on any investment income	20 per cent.;
(B) on income by way of long-term capital gains referred to in section 115E	10 per cent.;
(C) on other income by way of long-term capital gains [not being long-term capital gains referred to in clauses (33), (36) and (38) of section 10]	20 per cent.;
(D) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency	20 per cent.;
(E) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(F) on income by way of winnings from horse races	30 per cent.;
(G) on the whole of the other income	30 per cent.;
(ii) in the case of any other person—	
(A) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency	20 per cent.;
(B) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(C) on income by way of winnings from horse races	30 per cent.;
(D) on income by way of long-term capital gains [not being long-term capital gains referred to in clauses (33), (36) and (38) of section 10]	20 per cent.;
(E) on the whole of the other income	30 per cent.;
2. In the case of a company—	
(a) where the company is a domestic company—	
(i) on income by way of interest other than "Interest on securities"	20 per cent.;
(ii) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;

(iii) on income by way of winnings from horse races	30 per cent.;
(iv) on any other income	20 per cent.;
(b) where the company is not a domestic company—	
(i) on income by way of winnings from lotteries, crossword puzzles, card games and other games of any sort	30 per cent.;
(ii) on income by way of winnings from horse races	30 per cent.;
(iii) on income by way of interest payable by Government or an Indian concern on moneys borrowed or debt incurred by Government or the Indian concern in foreign currency	20 per cent.;
(iv) on income by way of royalty payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 31st day of March, 1976 where such royalty is in consideration for the transfer of all or any rights (including the granting of a licence) in respect of copyright in any book on a subject referred to in the first proviso to subsection (1A) of section 115A of the Income-tax Act, to the Indian concern, or in respect of any computer software referred to in the second proviso to subsection (1A) of section 115A of the Income-tax Act, to a person resident in India—	
(A) where the agreement is made before the 1st day of June, 1997	30 per cent.;
(B) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent.;
(C) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;
(v) on income by way of royalty [not being royalty of the nature referred to in sub-item (b)(iv)] payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy—	
(A) where the agreement is made after the 31st day of March, 1961 but before the 1st day of April, 1976	50 per cent.;
(B) where the agreement is made after the 31st day of March, 1976 but before the 1st day of June, 1997	30 per cent.;
(C) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent.;
(D) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;
(vi) on income by way of fees for technical services payable by Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in force, of the Government of India, the agreement is in accordance with that policy—	
(A) where the agreement is made after the 29th day of February, 1964 but before the 1st day of April, 1976	50 per cent.;
(B) where the agreement is made after the 31st day of March, 1976 but before the 1st day of June, 1997	30 per cent.;
(C) where the agreement is made on or after the 1st day of June, 1997 but before the 1st day of June, 2005	20 per cent.;
(D) where the agreement is made on or after the 1st day of June, 2005	10 per cent.;
(vii) on income by way of long-term capital gains [not being long-term capital gains referred to in clauses (33), (36) and (38) of section 10]	20 per cent.;
(viii) on any other income	40 per cent.

*Explanation.—*For the purpose of item 1(b)(i) of this Part, “investment income” and “non-resident Indian” shall have the meanings assigned to them in Chapter XII-A of the Income-tax Act.

Surcharge on income-tax

The amount of income-tax deducted in accordance with the provisions of—

(A) item 1, of this Part, shall be increased by a surcharge, for purposes of the Union, calculated,—

(i) in the case of every individual, Hindu undivided family, association of persons and body of individuals, whether incorporated or not, at the rate of ten per cent. of such tax where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds ten lakh rupees;

(ii) in the case of every firm and artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, at the rate of ten per cent. of such tax;

(B) item 2 of this Part, shall be increased by a surcharge, for purposes of the Union, calculated,—

(i) in the case of every domestic company at the rate of ten per cent. of such income tax;

(ii) in the case of every company other than a domestic company at the rate of two and one-half per cent. of such income-tax.

PART III**RATES FOR CHARGING INCOME-TAX IN CERTAIN CASES, DEDUCTING INCOME-TAX FROM INCOME CHARGEABLE UNDER THE HEAD "SALARIES" AND COMPUTING "ADVANCE TAX"**

In cases in which income-tax has to be charged under sub-section (4) of section 172 of the Income-tax Act or sub-section (2) of section 174 or section 174A or section 175 or sub-section (2) of section 176 of the said Act or deducted from, or paid on, from income chargeable under the head "Salaries" under section 192 of the said Act or in which the "advance tax" payable under Chapter XVII-C of the said Act has to be computed at the rate or rates in force, such income-tax or, as the case may be, "advance tax" [not being "advance tax" in respect of any income chargeable to tax under Chapter XII or Chapter XII-A or fringe benefits chargeable to tax under Chapter XII-H or income chargeable to tax under section 115JB or sub-section (1A) of section 161 or section 164 or section 164A or section 167B of the Income-tax Act at the rates as specified in that Chapter or section or surcharge on such "advance tax" in respect of any income chargeable to tax under section 115A or section 115AB or section 115AC or section 115ACA or section 115AD or section 115B or section 115BB or section 115BBA or section 115E or section 115JB or fringe benefits chargeable to tax under section 115WA] shall be charged, deducted or computed at the following rate or rates:—

Paragraph A

(I) In the case of every individual other than the individual referred to in items (II) and (III) of this Paragraph or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of this Part applies,—

Rates of income-tax

- (1) where the total income does not exceed Rs. 1,00,000
- (2) where the total income exceeds Rs. 1,00,000 but does not exceed Rs. 1,50,000
- (3) where the total income exceeds Rs. 1,50,000 but does not exceed Rs. 2,50,000
- (4) where the total income exceeds Rs. 2,50,000

Nil;
10 per cent. of the amount by which the total income exceeds Rs. 1,00,000;
Rs. 5,000 plus 20 per cent. of the amount by which the total income exceeds Rs. 1,50,000;
Rs. 25,000 plus 30 per cent. of the amount by which the total income exceeds Rs. 2,50,000.

(II) In the case of every individual, being a woman resident in India, and below the age of sixty-five years at any time during the previous year,—

Rates of income-tax

- (1) where the total income does not exceed Rs. 1,25,000
- (2) where the total income exceeds Rs. 1,25,000 but does not exceed Rs. 1,50,000
- (3) where the total income exceeds Rs. 1,50,000 but does not exceed Rs. 2,50,000
- (4) where the total income exceeds Rs. 2,50,000

Nil;
10 per cent. of the amount by which the total income exceeds Rs. 1,25,000;
Rs. 2,500 plus 20 per cent. of the amount by which the total income exceeds Rs. 1,50,000;
Rs. 22,500 plus 30 per cent. of the amount by which the total income exceeds Rs. 2,50,000.

(III) In the case of every individual, being a resident in India, who is of the age of sixty-five years or more at any time during the previous year,—

Rates of income-tax

- | | |
|--|--|
| (1) where the total income does not exceed Rs. 1,50,000 | <i>Nil;</i> |
| (2) where the total income exceeds Rs. 1,50,000 but does not exceed Rs. 2,50,000 | 20 per cent. of the amount by which the total income exceeds Rs. 1,50,000; |
| (3) where the total income exceeds Rs. 2,50,000 | Rs. 20,000 plus 30 per cent. of the amount by which the total income exceeds Rs. 2,50,000. |

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph or in section 111A or section 112 shall,—

(i) in the case of every individual or Hindu undivided family or association of persons or body of individuals having a total income exceeding ten lakh rupees, be reduced by the amount of rebate of income-tax calculated under Chapter VIII-A, and the income-tax as so reduced, be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax;

(ii) in the case of every person, other than those mentioned in item (i), be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax:

Provided that in case of persons mentioned in item (i) above having a total income exceeding ten lakh rupees, the total amount payable as income-tax and surcharge on such income shall not exceed the total amount payable as income-tax on a total income of ten lakh rupees by more than the amount of income that exceeds ten lakh rupees.

Paragraph B

In the case of every co-operative society,—

Rates of income-tax

- | | |
|--|---|
| (1) where the total income does not exceed Rs. 10,000 | 10 per cent. of the total income; |
| (2) where the total income exceeds Rs. 10,000 but does not exceed Rs. 20,000 | Rs. 1,000 plus 20 per cent. of the amount by which the total income exceeds Rs. 10,000; |
| (3) where the total income exceeds Rs. 20,000 | Rs. 3,000 plus 30 per cent. of the amount by which the total income exceeds Rs. 20,000. |

Paragraph C

In the case of every firm,—

Rate of income-tax

- | | |
|----------------------------------|--------------|
| On the whole of the total income | 30 per cent. |
|----------------------------------|--------------|

Surcharge on income-tax

The amount of income-tax computed at the rate hereinbefore specified, or in section 111A or section 112, shall, in the case of every firm, be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax.

Paragraph D

In the case of every local authority,—

Rate of income-tax

- | | |
|----------------------------------|--------------|
| On the whole of the total income | 30 per cent. |
|----------------------------------|--------------|

Paragraph E

In the case of a company,—

Rates of income-tax

I. In the case of a domestic company 30 per cent. of the total income;

II. In the case of a company other than a domestic company—

(i) on so much of the total income as consists of,—

(a) royalties received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern

after the 31st day of March, 1961 but before the 1st day of April, 1976; or	
(b) fees for rendering technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or the Indian concern after the 29th day of February, 1964 but before the 1st day of April, 1976,	
and where such agreement has, in either case, been approved by the Central Government	50 per cent.;
(ii) on the balance, if any, of the total income	40 per cent.

Surcharge on income-tax

The amount of income-tax computed in accordance with the preceding provisions of this Paragraph, or in section 111A or section 112, shall, in the case of every company, be increased by a surcharge for purposes of the Union calculated,—

- (i) in the case of every domestic company at the rate of ten per cent. of such income-tax;
- (ii) in the case of every company other than a domestic company at the rate of two and one-half per cent.

PART IV

[See section 2(12)(c)]

RULES FOR COMPUTATION OF NET AGRICULTURAL INCOME

Rule 1.—Agricultural income of the nature referred to in sub-clause (a) of clause (1A) of section 2 of the Income-tax Act shall be computed as if it were income chargeable to income-tax under that Act under the head "Income from other sources" and the provisions of sections 57 to 59 of that Act shall, so far as may be, apply accordingly:

Provided that sub-section (2) of section 58 shall apply subject to the modification that the reference to section 40A therein shall be construed as not including a reference to sub-sections (3) and (4) of section 40A.

Rule 2.—Agricultural income of the nature referred to in sub-clause (b) or sub-clause (c) of clause (1A) of section 2 of the Income-tax Act [other than income derived from any building required as a dwelling-house by the receiver of the rent or revenue of the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c)] shall be computed as if it were income chargeable to income-tax under that Act under the head "Profits and gains of business or profession" and the provisions of sections 30, 31, 32, 36, 37, 38, 40, 40A [other than sub-sections (3) and (4) thereof], 41, 43, 43A, 43B and 43C of the Income-tax Act shall, so far as may be, apply accordingly.

Rule 3.—Agricultural income of the nature referred to in sub-clause (c) of clause (1A) of section 2 of the Income-tax Act, being income derived from any building required as a dwelling-house by the receiver of the rent or revenue, or the cultivator or the receiver of rent-in-kind referred to in the said sub-clause (c) shall be computed as if it were income chargeable to income-tax under that Act under the head "Income from house property" and the provisions of sections 23 to 27 of that Act shall, so far as may be, apply accordingly.

Rule 4.—Notwithstanding anything contained in any other provisions of these rules, in a case—

(a) where the assessee derives income from sale of tea grown and manufactured by him in India, such income shall be computed in accordance with rule 8 of the Income-tax Rules, 1962, and sixty per cent. of such income shall be regarded as the agricultural income of the assessee;

(b) where the assessee derives income from sale of centrifuged latex or cenex or latex based crepes (such as pale latex crepe) or brown crepes (such as estate brown crepe, re-milled crepe, smoked blanket crepe or flat bark crepe) of technically specified block rubbers manufactured or processed by him from rubber plants grown by him in India, such income shall be computed in accordance with rule 7A of the Income-tax Rules, 1962, and sixty-five per cent. of such income shall be regarded as the agricultural income of the assessee;

(c) where the assessee derives income from sale of coffee grown and manufactured by him in India, such income shall be computed in accordance with rule 7B of the Income-tax Rules, 1962, and sixty per cent. or seventy-five per cent., as the case may be, of such income shall be regarded as the agricultural income of the assessee.

Rule 5.—Where the assessee is a member of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) which in the previous year has either no income chargeable to tax under the Income-tax Act or has total income not exceeding the maximum amount not chargeable to tax in the case of an association of persons or a body of individuals (other than a Hindu undivided family, a company or a firm) but has any agricultural income then, the agricultural income or loss of the association or body shall be computed in accordance with these rules and the share of the assessee in the agricultural income or loss so computed shall be regarded as the agricultural income or loss of the assessee.

Rule 6.—Where the result of the computation for the previous year in respect of any source of agricultural income is a loss, such loss shall be set off against the income of the assessee, if any, for that previous year from any other source of agricultural income :

Provided that where the assessee is a member of an association of persons or a body of individuals and the share of the assessee in the agricultural income of the association or body, as the case may be, is a loss, such loss shall not be set off against any income of the assessee from any other source of agricultural income.

Rule 7.—Any sum payable by the assessee on account of any tax levied by the State Government on the agricultural income shall be deducted in computing the agricultural income.

Rule 8.—(1) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 2005, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 1997 or the 1st day of April, 1998 or the 1st day of April, 1999 or the 1st day of April, 2000 or the 1st day of April, 2001 or the 1st day of April, 2002 or the 1st day of April, 2003 or the 1st day of April, 2004, is a loss, then, for the purposes of sub-section (2) of section 2 of this Act,—

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1997, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1998 or the 1st day of April, 1999 or the 1st day of April, 2000 or the 1st day of April, 2001 or the 1st day of April, 2002 or the 1st day of April, 2003 or the 1st day of April, 2004;

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1998, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1999 or the 1st day of April, 2000 or the 1st day of April, 2001 or the 1st day of April, 2002 or the 1st day of April, 2003 or the 1st day of April, 2004,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1999, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2000 or the 1st day of April, 2001 or the 1st day of April, 2002 or the 1st day of April, 2003 or the 1st day of April, 2004,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2000, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2001 or the 1st day of April, 2002 or the 1st day of April, 2003 or the 1st day of April, 2004,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2001, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2002 or the 1st day of April, 2003 or the 1st day of April, 2004,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2002, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2003 or the 1st day of April, 2004,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2003, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2004,

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2004,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 2005.

(2) Where the assessee has, in the previous year relevant to the assessment year commencing on the 1st day of April, 2006, or, if by virtue of any provision of the Income-tax Act, income-tax is to be charged in respect of the income

of a period other than the previous year, in such other period, any agricultural income and the net result of the computation of the agricultural income of the assessee for any one or more of the previous years relevant to the assessment years commencing on the 1st day of April, 1998 or the 1st day of April, 1999 or the 1st day of April, 2000 or the 1st day of April, 2001 or the 1st day of April, 2002 or the 1st day of April, 2003 or the 1st day of April, 2004 or the 1st day of April, 2005, is a loss, then, for the purposes of sub-section (10) of section 2 of this Act,—

(i) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1998, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 1999 or the 1st day of April, 2000 or the 1st day of April, 2001 or the 1st day of April, 2002 or the 1st day of April, 2003 or the 1st day of April, 2004 or the 1st day of April, 2005,

(ii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 1999, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2000 or the 1st day of April, 2001 or the 1st day of April, 2002 or the 1st day of April, 2003 or the 1st day of April, 2004 or the 1st day of April, 2005,

(iii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2000, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2001 or the 1st day of April, 2002 or the 1st day of April, 2003 or the 1st day of April, 2004 or the 1st day of April, 2005,

(iv) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2001, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2002 or the 1st day of April, 2003 or the 1st day of April, 2004 or the 1st day of April, 2005,

(v) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2002, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2003 or the 1st day of April, 2004 or the 1st day of April, 2005,

(vi) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2003, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2004 or the 1st day of April, 2005,

(vii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2004, to the extent, if any, such loss has not been set off against the agricultural income for the previous year relevant to the assessment year commencing on the 1st day of April, 2005,

(viii) the loss so computed for the previous year relevant to the assessment year commencing on the 1st day of April, 2005,

shall be set off against the agricultural income of the assessee for the previous year relevant to the assessment year commencing on the 1st day of April, 2006.

(3) Where any person deriving any agricultural income from any source has been succeeded in such capacity by another person, otherwise than by inheritance, nothing in sub-rule (1) or sub-rule (2) shall entitle any person, other than the person incurring the loss, to have it set off under sub-rule (1) or, as the case may be, sub-rule (2).

(4) Notwithstanding anything contained in this Rule, no loss which has not been determined by the Assessing Officer under the provisions of these Rules or the Rules contained in Part IV of the First Schedule to the Finance Act, 1997 (26 of 1997), or of the First Schedule to the Finance (No. 2) Act, 1998 (21 of 1998), or of the First Schedule to the Finance Act, 1999 (27 of 1999), or of the First Schedule to the Finance Act, 2000 (10 of 2000), or of the First Schedule to the Finance Act, 2001 (14 of 2001), or of the First Schedule to the Finance Act, 2002 (20 of 2002), or of the First Schedule to the Finance Act, 2003 (32 of 2003), or of the First Schedule to the Finance (No. 2) Act, 2004 (23 of 2004) shall be set off under sub-rule (1) or, as the case may be, sub-rule (2).

Rule 9.—Where the net result of the computation made in accordance with these rules is a loss, the loss so computed shall be ignored and the net agricultural income shall be deemed to be *nil*.

Rule 10.—The provisions of the Income-tax Act relating to procedure for assessment (including the provisions of section 288A relating to rounding off of income) shall, with the necessary modifications, apply in relation to the computation of the net agricultural income of the assessee as they apply in relation to the assessment of the total income.

Rule 11.—For the purposes of computing the net agricultural income of the assessee, the Assessing Officer shall have the same powers as he has under the Income-tax Act for the purposes of assessment of the total income.

THE SECOND SCHEDULE

(See section 74)

PART I

In the First Schedule to the Customs Tariff Act,—

(1) in Chapter 6, for the entry in column (4) occurring against all the tariff items of heading 0603, the entry “60%” shall be substituted;

(2) in Chapter 25,—

(i) for the entry in column (4) occurring against all the tariff items of all the headings (except headings 2504 and 2510), the entry “15%” shall be substituted;

(ii) for the entries in column (4) and column (5) occurring against all the tariff items of heading 2504, the entries “15%” and “15%” shall respectively be substituted;

(3) in Chapter 26, in tariff items 2620 11 00, 2620 19 00, 2620 30 10 and 2620 30 90, for the entry in column (4) occurring against each of them, the entry “15%” shall be substituted;

(4) in Chapter 27,—

(i) for the entry in column (4) occurring against all the tariff items of heading 2701 (except tariff items 2701 12 00, 2701 20 10 and 2701 20 90), the entry “15%” shall be substituted;

(ii) for the entry in column (4) occurring against the tariff item 2705 00 00, the entry “15%” shall be substituted;

(iii) for the entry in column (4) occurring against all the tariff items of headings 2706, 2707 and 2708, the entry “15%” shall be substituted;

(iv) for the entry in column (4) occurring against all the tariff items of heading 2710, the entry “15%” shall be substituted;

(v) for the entry in column (4) occurring against all the tariff items of headings 2712 and 2713, the entry “15%” shall be substituted;

(vi) for the entry in column (4) occurring against all the tariff items of heading 2715, the entry “15%” shall be substituted.

(5) In Chapter 28, for the entry in column (4) occurring against all the tariff items (except tariff items 2801 20 00, 2812 10 10, 2812 10 21, 2812 10 22, 2812 10 41, 2812 10 42, 2812 10 43, 2812 10 47, 2812 10 60, 2814 10 00, 2814 20 00, 2845 10 00, 2851 00 91 and 2851 00 99), the entry “15%” shall be substituted.

(6) in Chapter 29,—

(i) for the entry in column (4) occurring against all the tariff items (except tariff items 2901 10 00, 2901 21 00, 2901 22 00, 2901 23 00, 2901 24 00, 2901 29 10, 2901 29 20, 2901 29 90, 2902 11 00, 2902 19 00, 2902 20 00, 2902 30 00, 2902 41 00, 2902 42 00, 2902 43 00, 2902 44 00, 2902 50 00, 2902 60 00, 2902 70 00, 2902 90 10, 2902 90 20, 2902 90 30, 2902 90 40, 2902 90 50, 2902 90 90, 2903 15 00, 2903 21 00, 2903 30 11, 2903 30 19, 2904 90 80, 2905 19 10, 2905 19 90, 2905 43 00, 2905 44 00, 2918 19 10, 2918 19 90, 2920 10 10, 2920 10 20, 2920 90 41, 2920 90 42, 2920 90 43, 2920 90 44, 2920 90 45, 2920 90 47, 2920 90 48, 2920 90 51, 2920 90 52, 2920 90 53, 2920 90 54, 2920 90 55, 2920 90 56, 2920 90 57, 2920 90 58, 2920 90 61, 2920 90 62, 2920 90 63, 2920 90 64, 2920 90 65, 2920 90 66, 2920 90 99, 2921 19 11, 2921 19 14, 2921 19 90, 2922 11 11, 2922 11 12, 2922 11 13, 2922 11 14, 2922 11 15, 2922 11 16, 2922 11 90, 2922 12 11, 2922 12 12, 2922 12 90, 2922 19 10, 2922 19 20, 2922 19 30, 2922 19 90, 2926 10 00, 2930 90 91, 2930 90 99, 2933 39 30, 2936 10 00, 2936 21 00, 2936 22 10, 2936 22 90, 2936 23 10, 2936 23 90, 2936 24 00, 2936 25 00, 2936 26 10, 2936 26 90, 2936 27 00, 2936 28 00, 2936 29 10, 2936 29 20, 2936 29 30, 2936 29 40, 2936 29 50, 2936 29 90, 2936 90 00, 2937 11 00, 2937 12 00, 2937 19 00, 2937 21 00, 2937 22 00, 2937 23 00, 2937 29 00, 2937 31 00, 2937 39 00, 2937 40 00, 2937 50 00, 2937 90 00, 2939 29 10, 2939 29 90, 2939 41 10, 2939 41 20, 2939 41 90, 2939 42 00, 2939 43 00, 2939 49 00, 2941 10 10, 2941 10 20, 2941 10 30, 2941 10 40, 2941 10 50, 2941 10 90, 2941 20 10, 2941 51 00, 2941 59 00, 2941 90 10, 2941 90 20, 2941 90 30, 2941 90 40, 2941 90 50, 2941 90 60 and 2941 90 90), the entry “15%” shall be substituted;

(ii) for the entries in column (4) and column (5) occurring against all the tariff items of heading 2936, the entries “15%” and “15%” shall respectively be substituted;

(iii) in tariff items 2937 11 00, 2937 12 00, 2937 19 00, 2937 21 00, 2937 22 00, 2937 23 00, 2937 29 00, 2937 31 00, 2937 39 00, 2937 40 00, 2937 50 00, 2937 90 00, 2939 41 10, 2939 41 20, 2939 41 90, 2939 42 00, 2939 43 00,

2939 49 00, 2939 51 00 and 2939 59 00, for the entries in column (4) and column (5) occurring against each of them, the entries "15%" and "15%" shall respectively be substituted;

(iv) for the entries in column (4) and column (5) occurring against all the tariff items of heading 2941, the entries "15%" and "15%" shall respectively be substituted;

(7) in Chapter 30,—

(i) for the entries in column (4) and column (5) occurring against all the tariff items (except tariff items of headings 3005 and 3006), the entries "15%" and "15%" shall respectively be substituted;

(ii) in tariff items 3005 10 10, 3005 10 20, 3005 10 90, 3005 90 10, 3005 90 20, 3005 90 30, 3005 90 40, 3005 90 50, 3005 90 60, 3005 90 70, 3005 90 90, 3006 10 10, 3006 10 20, 3006 20 00, 3006 30 00, 3006 40 00, 3006 50 00, 3006 70 00 and 3006 80 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;

(8) in Chapter 31, for the entry in column (4) occurring against all the tariff items (except tariff items 3102 21 00, 3102 50 00, 3104 30 00, 3105 20 00, 3105 30 00, 3105 40 00, 3105 51 00, 3105 59 00, 3105 60 00, 3105 90 10 and 3105 90 90), the entry "15%" shall be substituted;

(9) in Chapter 32, for the entry in column (4) occurring against all the tariff items (except all the tariff item of heading 3201), the entry "15%" shall be substituted;

(10) in Chapter 33,—

(i) for the entry in column (4) occurring against all the tariff items (except tariff items 3301 11 00, 3301 12 00, 3301 13 00, 3301 14 00, 3301 19 10, 3301 19 90, 3301 21 00, 3301 22 10, 3301 22 90, 3301 23 00, 3301 24 00, 3301 25 10, 3301 25 20, 3301 25 30, 3301 25 40, 3301 25 90, 3301 26 00, 3301 29 11, 3301 29 12, 3301 29 13, 3301 29 14, 3301 29 15, 3301 29 16, 3301 29 17, 3301 29 18, 3301 29 21, 3301 29 22, 3301 29 23, 3301 29 24, 3301 29 25, 3301 29 26, 3301 29 27, 3301 29 28, 3301 29 31, 3301 29 32, 3301 29 33, 3301 29 34, 3301 29 35, 3301 29 36, 3301 29 37, 3301 29 38, 3301 29 41, 3301 29 42, 3301 29 43, 3301 29 44, 3301 29 45, 3301 29 46, 3301 29 47, 3301 29 48, 3301 29 49, 3301 29 50, 3301 29 90, 3301 30 10, 3301 30 91, 3301 30 99, 3301 90 11, 3301 90 12, 3301 90 13, 3301 90 14, 3301 90 15, 3301 90 16, 3301 90 17, 3301 90 21, 3301 90 22, 3301 90 23, 3301 90 24, 3301 90 25, 3301 90 29, 3301 90 31, 3301 90 32, 3301 90 33, 3301 90 41, 3301 90 49, 3301 90 51, 3301 90 59, 3301 90 60, 3301 90 71, 3301 90 79, 3301 90 90, 3302 10 10 and 3302 10 90), the entry "15%" shall be substituted;

(ii) for the entry in column (4) occurring against all the tariff items of sub-heading 3302 10, the entry "100%" shall be substituted;

(11) in Chapter 34,—

(i) for the entry in column (4) occurring against all the tariff items (except tariff items 3402 11 10, 3402 11 90, 3402 12 00, 3402 13 00 and 3402 19 00), the entry "15%" shall be substituted;

(ii) in tariff items 3402 11 10, 3402 11 90, 3402 12 00, 3402 13 00 and 3402 19 00, for the entries in column (4) and column (5) occurring against each of them, the entries "15%" and "15%" shall respectively be substituted;

(12) in Chapter 35, for the entry in column (4) occurring against all the tariff items (except tariff items 3501 10 00, 3501 90 00, 3502 11 00, 3502 19 00, 3502 20 00, 3502 90 00, 3503 00 10, 3503 00 20, 3503 00 30, 3503 00 90, 3504 00 10, 3504 00 91, 3504 00 99, 3505 10 10, 3505 10 90 and 3505 20 00), the entry "15%" shall be substituted;

(13) in Chapter 36, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(14) in Chapter 37, for the entry in column (4) occurring against all the tariff items (except tariff items 3701 20 00 and 3702 20 00), the entry "15%" shall be substituted;

(15) in Chapter 38,—

(i) for the entry in column (4) occurring against all the tariff items (except tariff items 3801 10 00, 3802 10 00, 3809 10 00, 3812 10 00, 3818 00 10, 3818 00 90, 3823 11 11, 3823 11 12, 3823 11 19, 3823 11 90, 3823 12 00, 3823 13 00, 3823 19 00, 3823 70 10, 3823 70 20, 3823 70 30, 3823 70 40, 3823 70 90, 3824 60 10 and 3824 60 90), the entry "15%" shall be substituted;

(ii) in tariff items 3801 10 00, 3802 10 00 and 3812 10 00, for the entries in column (4) and column (5) occurring against each of them, the entries "15%" and "15%" shall respectively be substituted;

(16) in Chapter 39, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

- (17) in Chapter 40, for the entry in column (4) occurring against all the tariff items (except tariff items 4001 10 10, 4001 10 20, 4001 21 00, 4001 22 00, 4001 29 10, 4001 29 20, 4001 29 30, 4001 29 40, 4001 29 90 and 4011 30 00), the entry "15%" shall be substituted;
- (18) in Chapter 41, for the entry in column (4) occurring against all the tariff items (except all the tariff items of headings 4101, 4102 and 4103), the entry "15%" shall be substituted;
- (19) in Chapter 42, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;
- (20) in Chapter 43, for the entry in column (4) occurring against all the tariff items of headings 4303 and 4304, the entry "15%" shall be substituted;
- (21) in Chapter 44, for the entry in column (4) occurring against all the tariff items (except all the tariff items of headings 4401, 4402 and 4403), the entry "15%" shall be substituted;
- (22) in Chapter 45, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;
- (23) in Chapter 46, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;
- (24) in Chapter 48, for the entry in column (4) occurring against all the tariff items (except tariff items 4801 00 10 and 4801 00 90), the entry "15%" shall be substituted;
- (25) in Chapter 49, for the entry in column (4) occurring against all the tariff items (except tariff items 4902 10 10, 4902 10 20, 4902 90 10, 4902 90 20, 4904 00 00, 4905 10 00, 4905 91 00, 4905 99 10 and 4905 99 90), the entry "15%" shall be substituted;
- (26) in Chapter 50, for the entry in column (4) occurring against all the tariff items of headings 5004, 5005, 5006 and 5007, the entry "15%" shall be substituted;
- (27) in Chapter 51,—
- (i) in tariff items 5105 10 00, 5105 21 00, 5105 29 90, 5105 31 00, 5105 39 00 and 5105 40 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;
 - (ii) for the entry in column (4) occurring against all the tariff items of headings 5106, 5107, 5108, 5109 and 5110, the entry "15%" shall be substituted;
 - (iii) for the entry in column (4) occurring against all the tariff items of sub-heading 5111 11, the entry "15% or Rs. 135 per sq. metre, whichever is higher" shall be substituted;
 - (iv) for the entry in column (4) occurring against all the tariff items of sub-heading 5111 19, the entry "15% or Rs. 150 per sq. metre, whichever is higher" shall be substituted;
 - (v) for the entry in column (4) occurring against all the tariff items of sub-heading 5111 20, the entry "15% or Rs. 80 per sq. metre, whichever is higher" shall be substituted;
 - (vi) for the entry in column (4) occurring against all the tariff items of sub-heading 5111 30, the entry "15% or Rs. 75 per sq. metre, whichever is higher" shall be substituted;
 - (vii) for the entry in column (4) occurring against all the tariff items of sub-heading 5111 90, the entry "15% or Rs. 90 per sq. metre, whichever is higher" shall be substituted;
 - (viii) for the entry in column (4) occurring against all the tariff items of sub-heading 5112 11, the entry "15% or Rs. 125 per sq. metre, whichever is higher" shall be substituted;
 - (ix) for the entry in column (4) occurring against all the tariff items of sub-heading 5112 19, the entry "15% or Rs. 155 per sq. metre, whichever is higher" shall be substituted;
 - (x) for the entry in column (4) occurring against all the tariff items of sub-heading 5112 20, the entry "15% or Rs. 85 per sq. metre, whichever is higher" shall be substituted;
 - (xi) for the entry in column (4) occurring against all the tariff items of sub-heading 5112 30, the entry "15% or Rs. 110 per sq. metre, whichever is higher" shall be substituted;
 - (xii) for the entry in column (4) occurring against all the tariff items of sub-heading 5112 90, the entry "15% or Rs. 135 per sq. metre, whichever is higher" shall be substituted;
 - (xiii) for the entry in column (4) occurring against all the tariff items, of heading 5113, the entry "15% or Rs. 60 per sq. metre, whichever is higher" shall be substituted;

(28) in Chapter 52,—

- (i) for the entry in column (4) occurring against all the tariff items of headings 5204, 5205, 5206 and 5207, the entry "15%" shall be substituted;
- (ii) for the entry in column (4) occurring against all the tariff items of sub-headings 5208 11, 5208 12, 5208 13, 5208 19, 5208 21, 5208 22, 5208 23, 5208 29, 5208 31, 5208 32 and 5208 33, the entry "15%" shall be substituted;
- (iii) for the entry in column (4) occurring against all the tariff items of sub-heading 5208 39, the entry "15% or Rs. 150 per kg., whichever is higher" shall be substituted;
- (iv) for the entry in column (4) occurring against all the tariff items of sub-heading 5208 41, the entry "15% or Rs. 9 per sq. metre, whichever is higher" shall be substituted;
- (v) for the entry in column (4) occurring against all the tariff items of sub-heading 5208 42, the entry "15% or Rs. 37 per sq. metre, whichever is higher" shall be substituted;
- (vi) for the entry in column (4) occurring against all the tariff items of sub-heading 5208 43, the entry "15%" shall be substituted;
- (vii) for the entry in column (4) occurring against all the tariff items of sub-heading 5208 49, the entry "15% or Rs. 200 per kg., whichever is higher" shall be substituted;
- (viii) for the entry in column (4) occurring against all the tariff items of sub-heading 5208 51, the entry "15% or Rs. 27 per sq. metre, whichever is higher" shall be substituted;
- (ix) for the entry in column (4) occurring against all the tariff items of sub-heading 5208 52, the entry "15% or Rs. 23 per sq. metre, whichever is higher" shall be substituted;
- (x) for the entry in column (4) occurring against all the tariff items of sub-heading 5208 53, the entry "15% or Rs. 35 per sq. metre, whichever is higher" shall be substituted;
- (xi) for the entry in column (4) occurring against all the tariff items of sub-heading 5208 59, the entry "15% or Rs. 50 per sq. metre, whichever is higher" shall be substituted;
- (xii) for the entry in column (4) occurring against all the tariff items of sub-headings 5209 11 and 5209 12, the entry "15%" shall be substituted;
- (xiii) in tariff item 5209 19 00, for the entry in column (4), the entry "15%" shall be substituted;
- (xiv) for the entry in column (4) occurring against all the tariff items of sub-headings 5209 21, 5209 22 and 5209 29, the entry "15%" shall be substituted;
- (xv) for the entry in column (4) occurring against all the tariff items of sub-headings 5209 31, 5209 32 and 5209 39, the entry "15% or Rs. 150 per kg., whichever is higher" shall be substituted;
- (xvi) for the entry in column (4) occurring against all the tariff items of sub-heading 5209 41, the entry "15% or Rs. 32 per sq. metre, whichever is higher" shall be substituted;
- (xvii) in tariff item 5209 42 00, for the entry in column (4), the entry "15% or Rs. 23 per sq. metre, whichever is higher" shall be substituted;
- (xviii) for the entry in column (4) occurring against all the tariff items of sub-heading 5209 43, the entry "15% or Rs. 30 per sq. metre, whichever is higher" shall be substituted;
- (xix) for the entry in column (4) occurring against all the tariff items of sub-heading 5209 49, the entry "15% or Rs. 150 per kg., whichever is higher" shall be substituted;
- (xx) for the entry in column (4) occurring against all the tariff items of sub-headings 5209 51 and 5209 52, the entry "15% or Rs. 30 per sq. metre, whichever is higher" shall be substituted;
- (xxi) for the entry in column (4) occurring against all the tariff items of sub-heading 5209 59, the entry "15% or Rs. 38 per sq. metre, whichever is higher" shall be substituted;
- (xxii) for the entry in column (4) occurring against all the tariff items of sub-headings 5210 11 and 5210 12, the entry "15%" shall be substituted;
- (xxiii) in tariff item 5210 19 00, for the entry in column (4), the entry "15%" shall be substituted;

- (xxiv) for the entry in column (4) occurring against all the tariff items of sub-headings 5210 21, 5210 22, 5210 29, 5210 31 and 5210 32, the entry "15%" shall be substituted;
- (xxv) for the entry in column (4) occurring against all the tariff items of sub-heading 5210 39, the entry "15% or Rs. 150 per kg., whichever is higher" shall be substituted;
- (xxvi) for the entry in column (4) occurring against all the tariff items of sub-heading 5210 41, the entry "15% or Rs. 15 per sq. metre, whichever is higher" shall be substituted;
- (xxvii) for the entry in column (4) occurring against all the tariff items of sub-heading 5210 42, the entry "15% or Rs. 25 per sq. metre, whichever is higher" shall be substituted;
- (xxviii) for the entry in column (4) occurring against all the tariff items of sub-heading 5210 49, the entry "15% or Rs. 185 per kg., whichever is higher" shall be substituted;
- (xxix) for the entry in column (4) occurring against all the tariff items of sub-headings 5210 51, 5210 52 and 5210 59, the entry "15% or Rs. 15 per sq. metre, whichever is higher" shall be substituted;
- (xxx) for the entry in column (4) occurring against all the tariff items of sub-headings 5211 11 and 5211 12, the entry "15%" shall be substituted;
- (xxxi) in tariff item 5211 19 00, for the entry in column (4), the entry "15%" shall be substituted;
- (xxxii) for the entry in column (4) occurring against all the tariff items of sub-headings 5211 21, 5211 22 and 5211 29, the entry "15%" shall be substituted;
- (xxxiii) for the entry in column (4) occurring against all the tariff items of sub-headings 5211 31, 5211 32 and 5211 39, the entry "15% or Rs. 150 per kg., whichever is higher" shall be substituted;
- (xxxiv) for the entry in column (4) occurring against all the tariff items of sub-heading 5211 41, the entry "15% or Rs. 44 per sq. metre, whichever is higher" shall be substituted;
- (xxxv) in tariff item 5211 42 00, for the entry in column (4), the entry "15% or Rs. 18 per sq. metre, whichever is higher" shall be substituted;
- (xxxvi) for the entry in column (4) occurring against all the tariff items of sub-heading 5211 43, the entry "15% or Rs. 40 per sq. metre, whichever is higher" shall be substituted;
- (xxxvii) for the entry in column (4) occurring against all the tariff items of sub-heading 5211 49, the entry "15% or Rs. 150 per kg., whichever is higher" shall be substituted;
- (xxxviii) for the entry in column (4) occurring against all the tariff items of sub-headings 5211 51, 5211 52 and 5211 59, the entry "15% or Rs. 18 per sq. metre, whichever is higher" shall be substituted;
- (xxxix) in tariff items 5212 11 00, 5212 12 00, 5212 13 00 and 5212 14 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;
- (x/i) in tariff item 5212 15 00, for the entry in column (4), the entry "15% or Rs. 165 per kg., whichever is higher" shall be substituted;
- (x/ii) in tariff items 5212 21 00, 5212 22 00 and 5212 23 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;
- (x/iii) in tariff item 5212 24 00, for the entry in column (4), the entry "15% or Rs. 20 per sq. metre, whichever is higher" shall be substituted;
- (x/iv) in tariff item 5212 25 00, for the entry in column (4), the entry "15% or Rs. 165 per kg., whichever is higher" shall be substituted;
- (29) in Chapter 53, for the entry in column (4) occurring against all the tariff items (except tariff items 5301 10 00, 5301 21 00, 5301 29 00, 5301 30 00, 5302 10 00 and 5302 90 00), the entry "15%" shall be substituted;
- (30) in Chapter 54,—
- (i) for the entry in column (4) occurring against all the tariff items of headings 5401, 5402, 5403 and 5404, the entry "15%" shall be substituted;
 - (ii) in tariff item 5405 00 00, for the entry in column (4), the entry "15%" shall be substituted;
 - (iii) for the entry in column (4) occurring against all the tariff items of heading 5406, the entry "15%" shall be substituted;

- (iv) for the entry in column (4) occurring against all the tariff items of sub-heading 5407 10, the entry "15% or Rs. 115 per kg., whichever is higher" shall be substituted;
- (v) for the entry in column (4) occurring against all the tariff items of sub-headings 5407 20 and 5407 30, the entry "15%" shall be substituted;
- (vi) for the entry in column (4) occurring against all the tariff items of sub-heading 5407 41, the entry "15% or Rs. 30 per sq. metre, whichever is higher" shall be substituted;
- (vii) for the entry in column (4) occurring against all the tariff items of sub-heading 5407 42, the entry "15% or Rs. 60 per sq. metre, whichever is higher" shall be substituted;
- (viii) in tariff item 5407 43 00, for the entry in column (4), the entry "15% or Rs. 67 per sq. metre, whichever is higher" shall be substituted;
- (ix) for the entry in column (4) occurring against all the tariff items of sub-heading 5407 44, the entry "15% or Rs. 58 per sq. metre, whichever is higher" shall be substituted;
- (x) for the entry in column (4) occurring against all the tariff items of sub-heading 5407 51, the entry "15% or Rs. 11 per sq. metre, whichever is higher" shall be substituted;
- (xi) for the entry in column (4) occurring against all the tariff items of sub-heading 5407 52, the entry "15% or Rs. 38 per sq. metre, whichever is higher" shall be substituted;
- (xii) in tariff item 5407 53 00, for the entry in column (4), the entry "15% or Rs. 50 per sq. metre, whichever is higher" shall be substituted;
- (xiii) for the entry in column (4) occurring against all the tariff items of sub-heading 5407 54, the entry "15% or Rs. 20 per sq. metre, whichever is higher" shall be substituted;
- (xiv) for the entry in column (4) occurring against all the tariff items of sub-heading 5407 61, the entry "15% or Rs. 150 per kg., whichever is higher" shall be substituted;
- (xv) in tariff item 5407 69 00, for the entry in column (4), the entry "15% or Rs. 60 per sq. metre, whichever is higher" shall be substituted;
- (xvi) for the entry in column (4) occurring against all the tariff items of sub-heading 5407 71, the entry "15% or Rs. 10 per sq. metre, whichever is higher" shall be substituted;
- (xvii) in tariff item 5407 72 00, for the entry in column (4), the entry "15% or Rs. 24 per sq. metre, whichever is higher" shall be substituted;
- (xviii) in tariff item 5407 73 00, for the entry in column (4), the entry "15% or Rs. 60 per sq. metre, whichever is higher" shall be substituted;
- (xix) in tariff item 5407 74 00, for the entry in column (4), the entry "15% or Rs. 38 per sq. metre, whichever is higher" shall be substituted;
- (xx) for the entry in column (4) occurring against all the tariff items of sub-heading 5407 81, the entry "15% or Rs. 10 per sq. metre, whichever is higher" shall be substituted;
- (xxi) for the entry in column (4) occurring against all the tariff items of sub-heading 5407 82, the entry "15% or Rs. 42 per sq. metre, whichever is higher" shall be substituted;
- (xxii) in tariff item 5407 83 00, for the entry in column (4), the entry "15% or Rs. 67 per sq. metre, whichever is higher" shall be substituted;
- (xxiii) for the entry in column (4) occurring against all the tariff items of sub-heading 5407 84, the entry "15% or Rs. 38 per sq. metre, whichever is higher" shall be substituted;
- (xxiv) for the entry in column (4) occurring against all the tariff items of sub-heading 5407 91, the entry "15% or Rs. 15 per sq. metre, whichever is higher" shall be substituted;
- (xxv) in tariff item 5407 92 00, for the entry in column (4), the entry "15% or Rs. 67 per sq. metre, whichever is higher" shall be substituted;
- (xxvi) in tariff item 5407 93 00, for the entry in column (4), the entry "15% or Rs. 45 per sq. metre, whichever is higher" shall be substituted;

(xxvii) in tariff item 5407 94 00, for the entry in column (4), the entry "15% or Rs. 67 per sq. metre, whichever is higher" shall be substituted;

(xxviii) in tariff item 5408 10 00, for the entry in column (4), the entry "15%" shall be substituted;

(xxix) for the entry in column (4) occurring against all the tariff items of sub-heading 5408 21, the entry "15%" shall be substituted;

(xxx) for the entry in column (4) occurring against all the tariff items of sub-heading 5408 22, the entry "15% or Rs. 45 per sq. metre, whichever is higher" shall be substituted;

(xxxi) in tariff item 5408 23 00, for the entry in column (4), the entry "15% or Rs. 47 per sq. metre, whichever is higher" shall be substituted;

(xxxii) for the entry in column (4) occurring against all the tariff items of sub-heading 5408 24, the entry "15% or Rs. 87 per sq. metre, whichever is higher" shall be substituted;

(xxxiii) for the entry in column (4) occurring against all the tariff items of sub-heading 5408 31, the entry "15% or Rs. 25 per sq. metre, whichever is higher" shall be substituted;

(xxxiv) for the entry in column (4) occurring against all the tariff items of sub-heading 5408 32, the entry "15% or Rs. 44 per sq. metre, whichever is higher" shall be substituted;

(xxxv) in tariff item 5408 33 00, for the entry in column (4), the entry "15% or Rs. 10 per sq. metre, whichever is higher" shall be substituted;

(xxxvi) for the entry in column (4) occurring against all the tariff items of sub-heading 5408 34, the entry "15% or Rs. 11 per sq. metre, whichever is higher" shall be substituted;

(31) In Chapter 55,—

(i) for the entry in column (4) occurring against all the tariff items of headings 5501, 5502, 5503, 5504, 5505, 5506, 5507, 5508, 5509 and 5510, the entry "15%" shall be substituted;

(ii) in tariff items 5511 10 00 and 5511 20 00, for the entry in column (4) against each of them, the entry "15% or Rs. 31 per kg., whichever is higher" shall be substituted;

(iii) for the entry in column (4) occurring against all the tariff items of sub-heading 5511 30, the entry "15% or Rs. 30 per kg., whichever is higher" shall be substituted;

(iv) for the entry in column (4) occurring against all the tariff items of sub-heading 5512 11, the entry "15%" shall be substituted;

(v) for the entry in column (4) occurring against all the tariff items of sub-heading 5512 19, the entry "15% or Rs. 42 per sq. metre, whichever is higher" shall be substituted;

(vi) for the entry in column (4) occurring against all the tariff items of sub-heading 5512 21, the entry "15%" shall be substituted;

(vii) for the entry in column (4) occurring against all the tariff items of sub-heading 5512 29, the entry "15% or Rs. 47 per sq. metre, whichever is higher" shall be substituted;

(viii) for the entry in column (4) occurring against all the tariff items of sub-heading 5512 91, the entry "15%" shall be substituted;

(ix) for the entry in column (4) occurring against all the tariff items of sub-heading 5512 99, the entry "15% or Rs. 65 per kg., whichever is higher" shall be substituted;

(x) for the entry in column (4) occurring against all the tariff items of sub-headings 5513 11, 5513 12, 5513 13 and 5513 19, the entry "15%" shall be substituted;

(xi) in tariff items 5513 21 00 and 5513 22 00, for the entry in column (4) occurring against each of them, the entry "15% or Rs. 150 per kg., whichever is higher" shall be substituted;

(xii) in tariff item 5513 23 00, for the entry in column (4), the entry "15% or Rs. 125 per kg. or Rs. 25 per sq. metre, whichever is highest" shall be substituted;

(xiii) in tariff item 5513 29 00, for the entry in column (4), the entry "15% or Rs. 185 per kg., whichever is higher" shall be substituted;

- (xlv) in tariff item 5513 31 00, for the entry in column (4), the entry "15% or Rs. 21 per sq. metre, whichever is higher" shall be substituted;
- (xvi) in tariff item 5513 32 00, for the entry in column (4), the entry "15% or Rs. 170 per kg., whichever is higher" shall be substituted;
- (xvii) in tariff item 5513 33 00, for the entry in column (4), the entry "15% or Rs. 22 per sq. metre, whichever is higher" shall be substituted;
- (xviii) in tariff item 5513 39 00, for the entry in column (4), the entry "15% or Rs. 125 per kg. or Rs. 30 per sq. metre, whichever is higher" shall be substituted;
- (xix) in tariff item 5513 41 00, for the entry in column (4), the entry "15% or Rs. 25 per sq. metre, whichever is higher" shall be substituted;
- (xx) in tariff item 5513 42 00, for the entry in column (4), the entry "15% or Rs. 12 per sq. metre, whichever is higher" shall be substituted;
- (xxi) in tariff item 5513 43 00, for the entry in column (4), the entry "15% or Rs. 20 per sq. metre, whichever is higher" shall be substituted;
- (xxii) in tariff item 5513 49 00, for the entry in column (4), the entry "15% or Rs. 185 per kg., whichever is higher" shall be substituted;
- (xxiii) for the entry in column (4) occurring against all the tariff items of sub-headings 5514 11, 5514 12, 5514 13 and 5514 19, the entry "15%" shall be substituted;
- (xxiv) in tariff item 5514 21 00, for the entry in column (4), the entry "15% or Rs. 100 per kg. or Rs. 30 per sq. metre, whichever is higher" shall be substituted;
- (xxv) in tariff item 5514 22 00, for the entry in column (4), the entry "15% or Rs. 140 per kg., whichever is higher" shall be substituted;
- (xxvi) in tariff item 5514 23 00, for the entry in column (4), the entry "15% or Rs. 160 per kg., whichever is higher" shall be substituted;
- (xxvii) in tariff item 5514 29 00, for the entry in column (4), the entry "15% or Rs. 170 per kg., whichever is higher" shall be substituted;
- (xxviii) in tariff item 5514 31 00, for the entry in column (4), the entry "15% or Rs. 64 per sq. metre, whichever is higher" shall be substituted;
- (xxix) in tariff item 5514 32 00, for the entry in column (4), the entry "15% or Rs. 43 per sq. metre, whichever is higher" shall be substituted;
- (xxx) in tariff item 5514 33 00, for the entry in column (4), the entry "15% or Rs. 180 per kg., whichever is higher" shall be substituted;
- (xxxi) in tariff item 5514 39 00, for the entry in column (4), the entry "15% or Rs. 31 per sq. metre, whichever is higher" shall be substituted;
- (xxxii) in tariff item 5514 41 00, for the entry in column (4), the entry "15% or Rs. 26 per sq. metre, whichever is higher" shall be substituted;
- (xxxiii) in tariff item 5514 42 00, for the entry in column (4), the entry "15% or Rs. 140 per kg., whichever is higher" shall be substituted;
- (xxxiv) in tariff item 5514 43 00, for the entry in column (4), the entry "15% or Rs. 31 per sq. metre, whichever is higher" shall be substituted;
- (xxxv) for the entry in column (4) occurring against all the tariff items of sub-heading 5515 11, the entry "15% or Rs. 40 per sq. metre, whichever is higher" shall be substituted;
- (xxxvi) for the entry in column (4) occurring against all the tariff items of sub-heading 5515 12, the entry "15% or Rs. 95 per kg., whichever is higher" shall be substituted;

(xxxvii) for the entry in column (4) occurring against all the tariff items of sub-heading 5515 13, the entry "15% or Rs. 75 per sq. metre, whichever is higher" shall be substituted;

(xxxviii) for the entry in column (4) occurring against all the tariff items of sub-heading 5515 19, the entry "15% or Rs. 45 per sq. metre, whichever is higher" shall be substituted;

(xxxix) for the entry in column (4) occurring against all the tariff items of sub-heading 5515 21, the entry "15% or Rs. 79 per sq. metre, whichever is higher" shall be substituted;

(xl) for the entry in column (4) occurring against all the tariff items of sub-heading 5515 22, the entry "15% or Rs. 140 per kg., whichever is higher" shall be substituted;

(xli) for the entry in column (4) occurring against all the tariff items of sub-heading 5515 29, the entry "15% or Rs. 30 per sq. metre, whichever is higher" shall be substituted;

(xlii) for the entry in column (4) occurring against all the tariff items of sub-heading 5515 91, the entry "15% or Rs. 57 per sq. metre, whichever is higher" shall be substituted;

(xliii) for the entry in column (4) occurring against all the tariff items of sub-heading 5515 92, the entry "15% or Rs. 55 per sq. metre, whichever is higher" shall be substituted;

(xliiiv) for the entry in column (4) occurring against all the tariff items of sub-heading 5515 99, the entry "15% or Rs. 35 per sq. metre, whichever is higher" shall be substituted;

(xlv) for the entry in column (4) occurring against all the tariff items of sub-heading 5516 11, the entry "15%" shall be substituted;

(xlvii) in tariff item 5516 12 00, for the entry in column (4), the entry "15% or Rs. 35 per sq. metre, whichever is higher" shall be substituted;

(xlviii) in tariff item 5516 13 00, for the entry in column (4), the entry "15% or Rs. 40 per sq. metre, whichever is higher" shall be substituted;

(xlix) for the entry in column (4) occurring against all the tariff items of sub-heading 5516 14, the entry "15% or Rs. 12 per sq. metre, whichever is higher" shall be substituted;

(l) in tariff items 5516 22 00 and 5516 23 00, for the entry in column (4) occurring against each of them, the entry "15% or Rs. 150 per kg., whichever is higher" shall be substituted;

(li) in tariff item 5516 24 00, for the entry in column (4), the entry "15% or Rs. 12 per sq. metre, whichever is higher" shall be substituted;

(lii) for the entry in column (4) occurring against all the tariff items of sub-heading 5516 31, the entry "15%" shall be substituted;

(liii) in tariff items 5516 32 00, 5516 33 00 and 5516 34 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;

(liv) for the entry in column (4) occurring against all the tariff items of sub-heading 5516 41, the entry "15%" shall be substituted;

(lv) in tariff items 5516 42 00, for the entry in column (4), the entry "15%" shall be substituted;

(lvi) in tariff items 5516 43 00 and 5516 44 00, for the entry in column (4), occurring against each of them, the entry "15% or Rs. 12 per sq. metre, whichever is higher" shall be substituted;

(lvii) for the entry in column (4) occurring against all the tariff items of sub-heading 5516 91, the entry "15%" shall be substituted;

(lviii) in tariff item 5516 92 00, for the entry in column (4), the entry "15%" shall be substituted;

(lix) in tariff item 5516 93 00, for the entry in column (4), the entry "15% or Rs. 21 per sq. metre, whichever is higher" shall be substituted;

(lx) in tariff item 5516 94 00, for the entry in column (4), the entry "15% or Rs. 40 per sq. metre, whichever is higher" shall be substituted;

(32) in Chapter 56, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(33) in Chapter 57,—

(i) for the entry in column (4) occurring against all the tariff items of heading 5701, the entry "15%" shall be substituted;

(ii) in tariff item 5702 10 00, for the entry in column (4), the entry "15%" shall be substituted;

(iii) for the entry in column (4) occurring against all the tariff items of sub-headings 5702 20 and 5702 31, the entry "15%" shall be substituted;

(iv) for the entry in column (4) occurring against all the tariff items of sub-heading 5702 32, the entry "15% or Rs. 105 per sq. metre, whichever is higher" shall be substituted;

(v) for the entry in column (4) occurring against all the tariff items of sub-headings, 5702 39 and 5702 41, the entry "15%" shall be substituted;

(vi) for the entry in column (4) occurring against all the tariff items of sub-heading 5702 42, the entry "15% or Rs. 80 per sq. metre, whichever is higher" shall be substituted;

(vii) for the entry in column (4) occurring against all the tariff items of sub-headings, 5702 49 and 5702 51, the entry "15%" shall be substituted;

(viii) for the entry in column (4) occurring against all the tariff items of sub-heading 5702 52, the entry "15% or Rs. 105 per sq. metre, whichever is higher" shall be substituted;

(ix) for the entry in column (4) occurring against all the tariff items of sub-headings 5702 59 and 5702 91, the entry "15%" shall be substituted;

(x) for the entry in column (4) occurring against all the tariff items of sub-heading 5702 92, the entry "15% or Rs. 110 per sq. metre, whichever is higher" shall be substituted;

(xi) for the entry in column (4) occurring against all the tariff items of sub-headings 5702 99 and 5703 10, the entry "15%" shall be substituted;

(xii) for the entry in column (4) occurring against all the tariff items of sub-heading 5703 20, the entry "15% or Rs. 70 per sq. metre, whichever is higher" shall be substituted;

(xiii) for the entry in column (4) occurring against all the tariff items of sub-heading 5703 30, the entry "15% or Rs. 55 per sq. metre, whichever is higher" shall be substituted;

(xiv) for the entry in column (4) occurring against all the tariff items of sub-heading 5703 90, the entry "15%" shall be substituted;

(xv) in tariff item 5704 10 00, for the entry in column (4), the entry "15%" shall be substituted;

(xvi) for the entry in column (4) occurring against all the tariff items of sub-heading 5704 90, the entry "15% or Rs. 35 per sq. metre, whichever is higher" shall be substituted;

(xvii) for the entry in column (4) occurring against all the tariff items of heading 5705, the entry "15%" shall be substituted;

(34) in Chapter 58,—

(i) in tariff item 5801 10 00, for the entry in column (4), the entry "15% or Rs. 210 per sq. metre, whichever is higher" shall be substituted;

(ii) in tariff item 5801 21 00, for the entry in column (4), the entry "15% or Rs. 80 per sq. metre, whichever is higher" shall be substituted;

(iii) for the entry in column (4) occurring against all the tariff items of sub-heading 5801 22, the entry "15% or Rs. 75 per sq. metre, whichever is higher" shall be substituted;

(iv) in tariff item 5801 23 00, for the entry in column (4), the entry "15% or Rs. 80 per sq. metre, whichever is higher" shall be substituted;

- (v) in tariff item 5801 24 00, for the entry in column (4), the entry "15% or Rs. 135 per sq. metre, whichever is higher" shall be substituted;
- (vi) in tariff item 5801 25 00, for the entry in column (4), the entry "15% or Rs. 120 per sq. metre, whichever is higher" shall be substituted;
- (vii) in tariff item 5801 26 00, for the entry in column (4), the entry "15% or Rs. 180 per sq. metre, whichever is higher" shall be substituted;
- (viii) in tariff item 5801 31 00, for the entry in column (4), the entry "15% or Rs. 75 per sq. metre, whichever is higher" shall be substituted;
- (ix) in tariff item 5801 32 00, for the entry in column (4), the entry "15% or Rs. 180 per sq. metre, whichever is higher" shall be substituted;
- (x) in tariff item 5801 33 00, for the entry in column (4), the entry "15% or Rs. 150 per sq. metre, whichever is higher" shall be substituted;
- (xi) for the entry in column (4) occurring against all the tariff items of sub-heading 5801 34, the entry "15% or Rs. 140 per sq. metre, whichever is higher" shall be substituted;
- (xii) in tariff item 5801 35 00, for the entry in column (4), the entry "15% or Rs. 68 per sq. metre, whichever is higher" shall be substituted;
- (xiii) for the entry in column (4) occurring against all the tariff items of sub-heading 5801 36, the entry "15% or Rs. 130 per sq. metre, whichever is higher" shall be substituted;
- (xiv) for the entry in column (4) occurring against all the tariff items of sub-heading 5801 90, the entry "15% or Rs. 35 per sq. metre, whichever is higher" shall be substituted;
- (xv) in tariff item 5802 11 00, for the entry in column (4), the entry "15%" shall be substituted;
- (xvi) for the entry in column (4) occurring against all the tariff items of sub-heading 5802 19, the entry "15% or Rs. 60 per sq. metre, whichever is higher" shall be substituted;
- (xvii) in tariff item 5802 20 00, for the entry in column (4), the entry "15%" shall be substituted;
- (xviii) in tariff item 5802 30 00, for the entry in column (4), the entry "15% or Rs. 150 per kg., whichever is higher" shall be substituted;
- (xix) for the entry in column (4) occurring against all the tariff items of heading 5803, the entry "15%" shall be substituted;
- (xx) for the entry in column (4) occurring against all the tariff items of heading 5804, the entry "15% or Rs. 200 per kg., whichever is higher" shall be substituted;
- (xxi) for the entry in column (4) occurring against all the tariff items of headings 5805, 5806, 5807, 5808 and 5809, the entry "15%" shall be substituted;
- (xxii) in tariff item 5810 10 00, for the entry in column (4), the entry "15% or Rs. 200 per kg., whichever is higher" shall be substituted;
- (xxiii) in tariff items 5810 91 00, for the entry in column (4), the entry "15%" shall be substituted;
- (xxiv) for the entry in column (4) occurring against all the tariff items of sub-heading 5810 92, the entry "15%" shall be substituted;
- (xxv) in tariff items 5810 99 00, for the entry in column (4), the entry "15%" shall be substituted;
- (xxvi) for the entry in column (4) occurring against all the tariff items of heading 5811, the entry "15%" shall be substituted;
- (35) in Chapter 59, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;
- (36) in Chapter 60,—
- (i) for the entry in column (4) occurring against all the tariff items (except tariff item 6001 92 00), the entry "15%" shall be substituted;
- (ii) in tariff item 6001 92 00, for the entry in column (4), the entry "15% or Rs. 100 per kg. whichever is higher" shall be substituted;

(37) in Chapter 61,—

- (i) for the entry in column (4) occurring against all the tariff items of sub-heading 6101 10, the entry “15% or Rs. 700 per piece, whichever is higher” shall be substituted;
- (ii) in tariff item 6101 20 00, for the entry in column (4), the entry “15% or Rs. 540 per piece, whichever is higher” shall be substituted;
- (iii) for the entry in column (4) occurring against all the tariff items of sub-heading 6101 30, the entry “15% or Rs. 530 per piece, whichever is higher” shall be substituted;
- (iv) for the entry in column (4) occurring against all the tariff items of sub-heading 6101 90, the entry “15%” shall be substituted;
- (v) in tariff item 6102 10 00, for the entry in column (4), the entry “15% or Rs. 595 per piece, whichever is higher” shall be substituted;
- (vi) in tariff item 6102 20 00, for the entry in column (4), the entry “15% or Rs. 425 per piece, whichever is higher” shall be substituted;
- (vii) for the entry in column (4) occurring against all the tariff items of sub-heading 6102 30, the entry “15% or Rs. 475 per piece, whichever is higher” shall be substituted;
- (viii) for the entry in column (4) occurring against all the tariff items of sub-heading 6102 90, the entry “15%” shall be substituted;
- (ix) for the entry in column (4) occurring against all the tariff items of heading 6103, the entry “15%” shall be substituted;
- (x) in tariff items 6104 11 00, 6104 12 00 and 6104 13 00, for the entry in column (4) occurring against each of them, the entry “15%” shall be substituted;
- (xi) for the entry in column (4) occurring against all the tariff items of sub-heading 6104 19, the entry “15% or Rs. 460 per piece, whichever is higher” shall be substituted;
- (xii) in tariff items 6104 21 00, 6104 22 00 and 6104 23 00, for the entry in column (4) occurring against each of them, the entry “15%” shall be substituted;
- (xiii) for the entry in column (4) occurring against all the tariff items of sub-heading 6104 29, the entry “15%” shall be substituted;
- (xiv) in tariff items 6104 31 00, 6104 32 00 and 6104 33 00, for the entry in column (4) occurring against each of them, the entry “15%” shall be substituted;
- (xv) for the entry in column (4) occurring against all the tariff items of sub-heading 6104 39, the entry “15%” shall be substituted;
- (xvi) in tariff item 6104 41 00, for the entry in column (4), the entry “15% or Rs. 255 per piece, whichever is higher” shall be substituted;
- (xvii) in tariff item 6104 42 00, for the entry in column (4), the entry “15%” shall be substituted;
- (xviii) in tariff items 6104 43 00 and 6104 44 00, for the entry in column (4) occurring against each of them, the entry “15% or Rs. 255 per piece, whichever is higher” shall be substituted;
- (xix) for the entry in column (4) occurring against all the tariff items of sub-heading 6104 49, the entry “15% or Rs. 220 per piece, whichever is higher” shall be substituted;
- (xx) in tariff items 6104 51 00, 6104 52 00 and 6104 53 00, for the entry in column (4) occurring against each of them, the entry “15% or Rs. 110 per piece, whichever is higher” shall be substituted;
- (xxi) for the entry in column (4) occurring against all the tariff items of sub-heading 6104 59, the entry “15% or Rs. 110 per piece, whichever is higher” shall be substituted;
- (xxii) in tariff item 6104 61 00, for the entry in column (4), the entry “15%” shall be substituted;
- (xxiii) in tariff items 6104 62 00 and 6104 63 00, for the entry in column (4) occurring against each of them, the entry “15% or Rs. 98 per piece, whichever is higher” shall be substituted;

- (xxiv) for the entry in column (4) occurring against all the tariff items of sub-heading 6104 69, the entry "15%" shall be substituted;
- (xxv) for the entry in column (4) occurring against all the tariff items of sub-headings 6105 10 and 6105 20, the entry "15% or Rs. 83 per piece, whichever is higher" shall be substituted;
- (xxvi) for the entry in column (4) occurring against all the tariff items of sub-heading 6105 90, the entry "15% or Rs. 90 per piece, whichever is higher" shall be substituted;
- (xxvii) in tariff item 6106 10 00, for the entry in column (4), the entry "15% or Rs. 90 per piece, whichever is higher" shall be substituted;
- (xxviii) for the entry in column (4) occurring against all the tariff items of sub-heading 6106 20, the entry "15% or Rs. 25 per piece, whichever is higher" shall be substituted;
- (xxix) for the entry in column (4) occurring against all the tariff items of sub-heading 6106 90, the entry "15% or Rs. 135 per piece, whichever is higher" shall be substituted;
- (xxx) in tariff item 6107 11 00, for the entry in column (4), the entry "15% or Rs. 24 per piece, whichever is higher" shall be substituted;
- (xxxi) for the entry in column (4) occurring against all the tariff items of sub-heading 6107 12, the entry "15% or Rs. 30 per piece, whichever is higher" shall be substituted;
- (xxxii) for the entry in column (4) occurring against all the tariff items of sub-heading 6107 19, the entry "15%" shall be substituted;
- (xxxiii) in tariff item 6107 21 00, for the entry in column (4), the entry "15%" shall be substituted;
- (xxxiv) for the entry in column (4) occurring against all the tariff items of sub-headings 6107 22, 6107 29, 6107 91, 6107 92 and 6107 99, the entry "15%" shall be substituted;
- (xxxv) for the entry in column (4) occurring against all the tariff items of sub-headings 6108 11 and 6108 19, the entry "15%" shall be substituted;
- (xxxvi) in tariff item 6108 21 00, for the entry in column (4), the entry "15% or Rs. 25 per piece, whichever is higher" shall be substituted;
- (xxxvii) for the entry in column (4) occurring against all the tariff items of sub-heading 6108 22, the entry "15% or Rs. 25 per piece, whichever is higher" shall be substituted;
- (xxxviii) for the entry in column (4) occurring against all the tariff items of sub-heading 6108 29, the entry "15%" shall be substituted;
- (xxxix) in tariff item 6108 31 00, for the entry in column (4), the entry "15%" shall be substituted;
- (xl) for the entry in column (4) occurring against all the tariff items of sub-headings 6108 32 and 6108 39, the entry "15%" shall be substituted;
- (xli) in tariff item 6108 91 00, for the entry in column (4), the entry "15% or Rs. 65 per piece, whichever is higher" shall be substituted;
- (xlii) for the entry in column (4) occurring against all the tariff items of sub-heading 6108 92, the entry "15% or Rs. 60 per piece, whichever is higher" shall be substituted;
- (xliii) for the entry in column (4) occurring against all the tariff items of sub-heading 6108 99, the entry "15%" shall be substituted;
- (xliiiv) in tariff item 6109 10 00, for the entry in column (4), the entry "15% or Rs. 45 per piece, whichever is higher" shall be substituted;
- (xliii) for the entry in column (4) occurring against all the tariff items of sub-heading 6109 90, the entry "15% or Rs. 50 per piece, whichever is higher" shall be substituted;
- (xlv) for the entry in column (4) occurring against all the tariff items of sub-heading 6110 11, the entry "15% or Rs. 275 per piece, whichever is higher" shall be substituted;
- (xlvii) in tariff items 6110 12 00 and 6110 19 00, for the entry in column (4) occurring against each of them, the entry "15% or Rs. 275 per piece, whichever is higher" shall be substituted;

(xlviii) in tariff item 6110 20 00, for the entry in column (4), the entry "15% or Rs. 85 per piece, whichever is higher" shall be substituted;

(xlix) for the entry in column (4) occurring against all the tariff items of sub-heading 6110 30, the entry "15% or Rs. 110 per piece, whichever is higher" shall be substituted;

(l) in tariff item 6110 90 00, for the entry in column (4), the entry "15% or Rs. 105 per piece, whichever is higher" shall be substituted;

(li) for the entry in column (4) occurring against all the tariff items of headings 6111 and 6112, the entry "15%" shall be substituted;

(lii) in tariff item 6113 00 00, for the entry in column (4), the entry "15%" shall be substituted;

(liii) for the entry in column (4) occurring against all the tariff items of headings 6114, 6115, 6116 and 6117, the entry "15%" shall be substituted;

(38) in Chapter 62,—

(i) in tariff item 6201 11 00, for the entry in column (4), the entry "15% or Rs. 385 per piece, whichever is higher" shall be substituted;

(ii) for the entry in column (4) occurring against all the tariff items of sub-heading 6201 12, the entry "15% or Rs. 385 per piece, whichever is higher" shall be substituted;

(iii) for the entry in column (4) occurring against all the tariff items of sub-heading 6201 13, the entry "15% or Rs. 320 per piece, whichever is higher" shall be substituted;

(iv) for the entry in column (4) occurring against all the tariff items of sub-heading 6201 19, the entry "15%" shall be substituted;

(v) in tariff item 6201 91 00, for the entry in column (4), the entry "15% or Rs. 220 per piece, whichever is higher" shall be substituted;

(vi) in tariff item 6201 92 00, for the entry in column (4), the entry "15% or Rs. 210 per piece, whichever is higher" shall be substituted;

(vii) in tariff item 6201 93 00, for the entry in column (4), the entry "15% or Rs. 180 per piece, whichever is higher" shall be substituted;

(viii) for the entry in column (4) occurring against all the tariff items of sub-heading 6201 99, the entry "15%" shall be substituted;

(ix) for the entry in column (4) occurring against all the tariff items of sub-heading 6202 11, the entry "15% or Rs. 385 per piece, whichever is higher" shall be substituted;

(x) in tariff item 6202 12 00, for the entry in column (4), the entry "15% or Rs. 210 per piece, whichever is higher" shall be substituted;

(xi) in tariff item 6202 13 00, for the entry in column (4), the entry "15% or Rs. 385 per piece, whichever is higher" shall be substituted;

(xii) for the entry in column (4) occurring against all the tariff items of sub-heading 6202 19, the entry "15%" shall be substituted;

(xiii) for the entry in column (4) occurring against all the tariff items of sub-heading 6202 91, the entry "15% or Rs. 220 per piece, whichever is higher" shall be substituted;

(xiv) for the entry in column (4) occurring against all the tariff items of sub-heading 6202 92, the entry "15% or Rs. 160 per piece, whichever is higher" shall be substituted;

(xv) for the entry in column (4) occurring against all the tariff items of sub-heading 6202 93, the entry "15% or Rs. 220 per piece, whichever is higher" shall be substituted;

(xvi) for the entry in column (4) occurring against all the tariff items of sub-heading 6202 99, the entry "15%" shall be substituted;

(xvii) in tariff item 6203 11 00, for the entry in column (4), the entry "15% or Rs. 1100 per piece, whichever is higher" shall be substituted;

(xviii) in tariff item 6203 12 00, for the entry in column (4), the entry "15% or Rs. 720 per piece, whichever is higher" shall be substituted;

(xix) for the entry in column (4) occurring against all the tariff items of sub-heading 6203 19, the entry "15% or Rs. 1110 per piece, whichever is higher" shall be substituted;

(xx) in tariff items 6203 21 00, 6203 22 00, 6203 23 00 and 6203 29 00, for the entry in column (4) occurring against each of them, the entry "15% or Rs. 145 per piece, whichever is higher" shall be substituted;

(xxi) in tariff item 6203 31 00, for the entry in column (4), the entry "15% or Rs. 815 per piece, whichever is higher" shall be substituted;

(xxii) in tariff item 6203 32 00, for the entry in column (4), the entry "15% or Rs. 440 per piece, whichever is higher" shall be substituted;

(xxiii) in tariff item 6202 33 00, for the entry in column (4), the entry "15% or Rs. 320 per piece, whichever is higher" shall be substituted;

(xxiv) for the entry in column (4) occurring against all the tariff items of sub-heading 6203 39, the entry "15% or Rs. 755 per piece, whichever is higher" shall be substituted;

(xxv) in tariff item 6203 41 00, for the entry in column (4), the entry "15% or Rs. 285 per piece, whichever is higher" shall be substituted;

(xxvi) in tariff item 6203 42 00, for the entry in column (4), the entry "15% or Rs. 135 per piece, whichever is higher" shall be substituted;

(xxvii) in tariff item 6203 43 00, for the entry in column (4), the entry "15% or Rs. 110 per piece, whichever is higher" shall be substituted;

(xxviii) for the entry in column (4) occurring against all the tariff items of sub-heading 6203 49, the entry "15% or Rs. 110 per piece, whichever is higher" shall be substituted;

(xxix) in tariff item 6204 11 00, for the entry in column (4), the entry "15% or Rs. 550 per piece, whichever is higher" shall be substituted;

(xxx) in tariff item 6204 12 00, for the entry in column (4), the entry "15%" shall be substituted;

(xxxi) in tariff item 6204 13 00, for the entry in column (4), the entry "15% or Rs. 550 per piece, whichever is higher" shall be substituted;

(xxxii) for the entry in column (4) occurring against all the tariff items of sub-heading 6204 19, the entry "15% or Rs. 500 per piece, whichever is higher" shall be substituted;

(xxxiii) in tariff item 6204 21 00, for the entry in column (4), the entry "15%" shall be substituted;

(xxxiv) for the entry in column (4) occurring against all the tariff items of sub-heading 6204 22, the entry "15%" shall be substituted;

(xxxv) in tariff item 6204 23 00, for the entry in column (4), the entry "15%" shall be substituted;

(xxxvi) for the entry in column (4) occurring against all the tariff items of sub-heading 6204 29, the entry "15%" shall be substituted;

(xxxvii) in tariff item 6204 31 00, for the entry in column (4), the entry "15% or Rs. 370 per piece, whichever is higher" shall be substituted;

(xxxviii) in tariff item 6204 32 00, for the entry in column (4), the entry "15% or Rs. 650 per piece, whichever is higher" shall be substituted;

(xxxix) in tariff item 6204 33 00, for the entry in column (4), the entry "15% or Rs. 390 per piece, whichever is higher" shall be substituted;

(xl) for the entry in column (4) occurring against all the tariff items of sub-heading 6204 39, the entry "15% or Rs. 350 per piece, whichever is higher" shall be substituted;

(xli) for the entry in column (4) occurring against all the tariff items of sub-heading 6204 41, the entry "15% or Rs. 145 per piece, whichever is higher" shall be substituted;

(xlii) for the entry in column (4) occurring against all the tariff items of sub-heading 6204 42, the entry "15% or Rs. 116 per piece, whichever is higher" shall be substituted;

- (xliii) for the entry in column (4) occurring against all the tariff items of sub-heading 6204 43, the entry "15% or Rs. 145 per piece, whichever is higher" shall be substituted;
- (xliv) in tariff item 6204 44 00, for the entry in column (4), the entry "15% or Rs. 145 per piece, whichever is higher" shall be substituted;
- (xlv) for the entry in column (4) occurring against all the tariff items of sub-heading 6204 49, the entry "15% or Rs. 145 per piece, whichever is higher" shall be substituted;
- (xlvi) in tariff item 6204 51 00, for the entry in column (4), the entry "15% or Rs. 485 per piece, whichever is higher" shall be substituted;
- (xlvii) in tariff items 6204 52 00 and 6204 53 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;
- (xlviii) for the entry in column (4) occurring against all the tariff items of sub-heading 6204 59, the entry "15%" shall be substituted;
- (xlix) for the entry in column (4) occurring against all the tariff items of sub-heading 6204 61, the entry "15% or Rs. 285 per piece, whichever is higher" shall be substituted;
- (i) in tariff item 6204 62 00, for the entry in column (4), the entry "15% or Rs. 135 per piece, whichever is higher" shall be substituted;
- (ii) in tariff item 6204 63 00, for the entry in column (4), the entry "15%" shall be substituted;
- (iii) for the entry in column (4) occurring against all the tariff items of sub-heading 6204 69, the entry "15% or Rs. 135 per piece, whichever is higher" shall be substituted;
- (iv) in tariff item 6205 10 00, for the entry in column (4), the entry "15% or Rs. 200 per piece, whichever is higher" shall be substituted;
- (v) in tariff item 6205 20 00, for the entry in column (4), the entry "15% or Rs. 85 per piece, whichever is higher" shall be substituted;
- (vi) in tariff item 6205 30 00, for the entry in column (4), the entry "15% or Rs. 120 per piece, whichever is higher" shall be substituted;
- (vii) for the entry in column (4) occurring against all the tariff items of sub-heading 6205 90, the entry "15% or Rs. 95 per piece, whichever is higher" shall be substituted;
- (viii) for the entry in column (4) occurring against all the tariff items of sub-heading 6206 10, the entry "15%" shall be substituted;
- (ix) in tariff item 6206 20 00, for the entry in column (4), the entry "15% or Rs. 135 per piece, whichever is higher" shall be substituted;
- (x) in tariff item 6206 30 00, for the entry in column (4), the entry "15% or Rs. 95 per piece, whichever is higher" shall be substituted;
- (xi) in tariff item 6206 40 00, for the entry in column (4), the entry "15% or Rs. 120 per piece, whichever is higher" shall be substituted;
- (xii) in tariff item 6206 90 00, for the entry in column (4), the entry "15%" shall be substituted;
- (xiii) in tariff item 6207 11 00, for the entry in column (4), the entry "15% or Rs. 28 per piece, whichever is higher" shall be substituted;
- (xiv) for the entry in column (4) occurring against all the tariff items of sub-heading 6207 19, the entry "15% or Rs. 30 per piece, whichever is higher" shall be substituted;
- (xv) in tariff item 6207 21 00, for the entry in column (4), the entry "15%" shall be substituted;
- (xvi) in tariff items 6207 22 00 and 6207 29 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;
- (xvii) for the entry in column (4) occurring against all the tariff items of sub-heading 6207 91, the entry "15%" shall be substituted;
- (xviii) in tariff item 6207 92 00, for the entry in column (4), the entry "15%" shall be substituted;

(*bviii*) for the entry in column (4) occurring against all the tariff items of sub-heading 6207 99, the entry "15% or Rs. 70 per piece, whichever is higher" shall be substituted;

(*bix*) in tariff item 6208 11 00, for the entry in column (4), the entry "15% or Rs. 80 per piece, whichever is higher" shall be substituted;

(*bx*) for the entry in column (4) occurring against all the tariff items of sub-heading 6208 19, the entry "15% or Rs. 60 per piece, whichever is higher" shall be substituted;

(*bxI*) in tariff items 6208 21 00 and 6208 22 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;

(*bxII*) for the entry in column (4) occurring against all the tariff items of sub-heading 6208 29, the entry "15%" shall be substituted;

(*bxIII*) for the entry in column (4) occurring against all the tariff items of sub-heading 6208 91, the entry "15% or Rs. 95 per piece, whichever is higher" shall be substituted;

(*bxIV*) for the entry in column (4) occurring against all the tariff items of sub-heading 6208 92, the entry "15% or Rs. 65 per piece, whichever is higher" shall be substituted;

(*bxV*) for the entry in column (4) occurring against all the tariff items of sub-heading 6208 99, the entry "15%" shall be substituted;

(*bxVI*) for the entry in column (4) occurring against all the tariff items of heading 6209, the entry "15%" shall be substituted;

(*bxvII*) in tariff item 6210 10 00, for the entry in column (4), the entry "15%" shall be substituted;

(*bxvIII*) for the entry in column (4) occurring against all the tariff items of sub-heading 6210 20, the entry "15% or Rs. 365 per piece, whichever is higher" shall be substituted;

(*bxvIX*) for the entry in column (4) occurring against all the tariff items of sub-heading 6210 30, the entry "15% or Rs. 305 per piece, whichever is higher" shall be substituted;

(*bxvX*) for the entry in column (4) occurring against all the tariff items of sub-heading 6210 40, the entry "15% or Rs. 65 per piece, whichever is higher" shall be substituted;

(*bxvXI*) in tariff item 6210 50 00, for the entry in column (4), the entry "15% or Rs. 65 per piece, whichever is higher" shall be substituted;

(*bxvIi*) in tariff items 6211 11 00, 6211 12 00, 6211 20 00 and 6211 31 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;

(*bxvIII*) in tariff items 6211 32 00 and 6211 33 00, for the entry in column (4) occurring against each of them, the entry "15% or Rs. 135 per piece, whichever is higher" shall be substituted;

(*bxvIV*) in tariff items 6211 39 00 and 6211 41 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;

(*bxvV*) for the entry in column (4) occurring against all the tariff items of sub-heading 6211 42, the entry "15% or Rs. 135 per piece, whichever is higher" shall be substituted;

(*bxvVI*) in tariff item 6211 43 00, for the entry in column (4), the entry "15% or Rs. 135 per piece, whichever is higher" shall be substituted;

(*bxvVII*) in tariff items 6211 49 00, for the entry in column (4), the entry "15%" shall be substituted;

(*bxvVIII*) for the entry in column (4) occurring against all the tariff items of heading 6212, the entry "15% or Rs. 30 per piece, whichever is higher" shall be substituted;

(*bxvIX*) for the entry in column (4) occurring against all the tariff items of heading 6213, the entry "15%" shall be substituted;

(*xc*) for the entry in column (4) occurring against all the tariff items of sub-heading 6214 10, the entry "15% or Rs. 390 per piece, whichever is higher" shall be substituted;

(*xcI*) for the entry in column (4) occurring against all the tariff items of sub-heading 6214 20, the entry "15% or Rs. 180 per piece, whichever is higher" shall be substituted;

(xcii) in tariff items 6214 30 00 and 6214 40 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;

(xciii) for the entry in column (4) occurring against all the tariff items of sub-heading 6214 90, the entry "15% or Rs. 75 per piece, whichever is higher" shall be substituted;

(xciv) for the entry in column (4) occurring against all the tariff items of heading 6215, the entry "15% or Rs. 55 per piece, whichever is higher" shall be substituted;

(xcv) for the entry in column (4) occurring against all the tariff items of headings 6216 and 6217, the entry "15%" shall be substituted;

(39) in Chapter 63,—

(i) for the entry in column (4) occurring against all the tariff items (except tariff items 6301 20 00, 6302 21 00 and 6302 31 00), the entry "15%" shall be substituted;

(ii) in tariff item 6301 20 00, for the entry in column (4), the entry "15% or Rs. 275 per piece, whichever is higher" shall be substituted;

(iii) in tariff item 6302 21 00, for the entry in column (4), the entry "15% or Rs. 108 per kg., whichever is higher" shall be substituted;

(iv) in tariff item 6302 31 00, for the entry in column (4), the entry "15% or Rs. 96 per kg., whichever is higher" shall be substituted;

(40) in Chapter 64, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(41) in Chapter 65, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(42) in Chapter 66, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(43) in Chapter 67, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(44) in Chapter 68, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(45) in Chapter 69, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(46) in Chapter 70, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(47) in Chapter 71, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(48) in Chapter 72, for the entry in column (4) occurring against all the tariff items, the entry "20%" shall be substituted;

(49) in Chapter 73, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(50) in Chapter 74, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(51) in Chapter 76, for the entry in column (4) occurring against all the tariff items of heading 7615, the entry "15%" shall be substituted;

(52) in Chapter 78, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(53) in Chapter 79, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(54) in Chapter 81, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(55) in Chapter 82, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(56) in Chapter 83, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(57) in Chapter 84,—

(i) for the entry in column (4) occurring against all the tariff items of headings 8401, 8402, 8403, 8404, 8405 and 8406, the entry "15%" shall be substituted;

(ii) in tariff items 8407 10 00 and 8407 29 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;

(iii) for the entry in column (4) occurring against all the tariff items of sub-headings 8407 31, 8407 32, 8407 33, 8407 34 and 8407 90, the entry "15%" shall be substituted;

(iv) for the entry in column (4) occurring against all the tariff items of headings 8408, 8409, 8410, 8411, 8412, 8413, 8414, 8415, 8416, 8417, 8418, 8419, 8420, 8421, 8422, 8423, 8424, 8425, 8426, 8427, 8428, 8429, 8430, 8431, 8432, 8433, 8434, 8435, 8436, 8437, 8438, 8439, 8440, 8441, 8442, 8443, 8444, 8445, 8446, 8447, 8448, 8449, 8450, 8451, 8452, 8453, 8454 and 8455, the entry "15%" shall be substituted;

(v) in tariff items 8456 10 00, 8456 20 00 and 8456 30 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;

(vi) for the entry in column (4) occurring against all the tariff items of sub-heading 8456 99, the entry "15%" shall be substituted;

(vii) for the entry in column (4) occurring against all the tariff items of headings 8457, 8458, 8459, 8460, 8461, 8462, 8463, 8464, 8465, 8466, 8467 and 8468, the entry "15%" shall be substituted;

(viii) in tariff item 8469 11 00, for the entry in column (4), the entry "Free" shall be substituted;

(ix) in tariff item 8469 12 00, for the entry in column (4), the entry "15%" shall be substituted;

(x) for the entry in column (4) occurring against all the tariff items of sub-headings 8469 20 and 8469 30, the entry "15%" shall be substituted;

(xi) for the entry in column (4) occurring against all the tariff items of heading 8470, the entry "Free" shall be substituted;

(xii) in tariff item 8471 10 00, for the entry in column (4), the entry "Free" shall be substituted;

(xiii) for the entry in column (4) occurring against all the tariff items of sub-headings 8471 30 and 8471 41, the entry "Free" shall be substituted;

(xiv) in tariff items 8471 49 00 and 8471 50 00, for the entry in column (4) occurring against each of them, the entry "Free" shall be substituted;

(xv) for the entry in column (4) occurring against all the tariff items of sub-heading 8471 60, the entry "Free" shall be substituted;

(xvi) in tariff items 8471 80 00 and 8471 90 00, for the entry in column (4), the entry "Free" shall be substituted;

(xvii) for the entry in column (4) occurring against all the tariff items of heading 8472, the entry "15%" shall be substituted;

(xviii) in tariff item 8473 10 00, for the entry in column (4), the entry "15%" shall be substituted;

(xix) in tariff items 8473 21 00 and 8473 29 00, for the entry in column (4) occurring against each of them, the entry "Free" shall be substituted;

(xx) for the entry in column (4) occurring against all the tariff items of sub-heading 8473 30, the entry "Free" shall be substituted;

(xxi) for the entry in column (4) occurring against all the tariff items of sub-heading 8473 40, the entry "15%" shall be substituted;

(xxii) in tariff item 8473 50 00, for the entry in column (4), the entry "Free" shall be substituted;

(xxiii) for the entry in column (4) occurring against all the tariff items of headings 8474, 8475, 8476, 8477, 8478, 8479, 8480, 8481, 8482, 8483, 8484 and 8485, the entry "15%" shall be substituted;

(58) in Chapter 85,—

- (i) for the entry in column (4) occurring against all the tariff items of headings 8501, 8502, 8503, 8504, 8505, 8506, 8507, 8509, 8510, 8511, 8512, 8513, 8514, 8515 and 8516, the entry "15%" shall be substituted;
- (ii) for the entry in column (4) occurring against all the tariff items of heading 8517, the entry "Free" shall be substituted;
- (iii) for the entry in column (4) occurring against all the tariff items of headings 8518 and 8519, the entry "15%" shall be substituted;
- (iv) in tariff item 8520 10 00, for the entry in column (4), the entry "15%" shall be substituted;
- (v) in tariff item 8520 20 00, for the entry in column (4), the entry "Free" shall be substituted;
- (vi) in tariff item 8520 32 00, for the entry in column (4), the entry "15%" shall be substituted;
- (vii) for the entry in column (4) occurring against all the tariff items of sub-headings 8520 33, 8520 39 and 8520 90, the entry "15%" shall be substituted;
- (viii) for the entry in column (4) occurring against all the tariff items of headings 8521 and 8522, the entry "15%" shall be substituted;
- (ix) for the entry in column (4) occurring against all the tariff items of sub-headings 8523 11, 8523 12, 8523 13 and 8523 20, the entry "Free" shall be substituted;
- (x) in tariff item 8523 30 00, for the entry in column (4), the entry "15%" shall be substituted;
- (xi) for the entry in column (4) occurring against all the tariff items of sub-heading 8523 90, the entry "Free" shall be substituted;
- (xii) for the entry in column (4) occurring against all the tariff items of sub-heading 8524 10, the entry "15%" shall be substituted;
- (xiii) for the entry in column (4) occurring against all the tariff items of sub-heading 8524 31, the entry "Free" shall be substituted;
- (xiv) for the entry in column (4) occurring against all the tariff items of sub-headings 8524 32 and 8524 39, the entry "15%" shall be substituted;
- (xv) for the entry in column (4) occurring against all the tariff items of sub-heading 8524 40, the entry "Free" shall be substituted;
- (xvi) for the entry in column (4) occurring against all the tariff items of sub-headings 8524 51, 8524 52 and 8524 53, the entry "15%" shall be substituted;
- (xvii) in tariff item 8524 60 00, for the entry in column (4), the entry "15%" shall be substituted;
- (xviii) for the entry in column (4) occurring against all the tariff items of sub-heading 8524 91, the entry "Free" shall be substituted;
- (xix) for the entry in column (4) occurring against all the tariff items of sub-heading 8524 99, the entry "15%" shall be substituted;
- (xx) for the entry in column (4) occurring against all the tariff items of sub-heading 8525 10, the entry "15%" shall be substituted;
- (xxi) for the entry in column (4) occurring against all the tariff items of sub-heading 8525 20, the entry "Free" shall be substituted;
- (xxii) in tariff items 8525 30 00 and 8525 40 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;
- (xxiii) for the entry in column (4) occurring against all the tariff items of headings 8526, 8527, 8528, 8529 and 8530, the entry "15%" shall be substituted;
- (xxiv) for the entry in column (4) occurring against all the tariff items of sub-heading 8531 10, the entry "15%" shall be substituted;
- (xxv) in tariff item 8531 20 00, for the entry in column (4), the entry "Free" shall be substituted;
- (xxvi) in tariff items 8531 80 00 and 8531 90 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;

(xxvii) in tariff items 8532 10 00, 8532 22 00, 8532 23 00 and 8532 25 00, for the entry in column (4) occurring against each of them, the entry "Free" shall be substituted;

(xxviii) for the entry in column (4) occurring against all the tariff items of sub-heading 8532 29, the entry "Free" shall be substituted;

(xxix) in tariff items 8532 30 00, for the entry in column (4), the entry "Free" shall be substituted;

(xxx) in tariff item 8533 10 00, for the entry in column (4), the entry "Free" shall be substituted;

(xxxi) for the entry in column (4) occurring against all the tariff items of sub-headings 8533 21, 8533 29, 8533 31, 8533 39 and 8533 40, the entry "Free" shall be substituted;

(xxxii) in tariff item 8534 00 00, for the entry in column (4), the entry "Free" shall be substituted;

(xxxiii) for the entry in column (4) occurring against all the tariff items of headings 8535, 8536, 8537, 8538 and 8539, the entry "15%" shall be substituted;

(xxxiv) for the entry in column (4) occurring against all the tariff items of sub-heading 8540 11, the entry "15%" shall be substituted;

(xxxv) in tariff items 8540 12 00, 8540 20 00, 8540 50 00, 8540 60 00, 8540 71 00, 8540 72 00, 8540 79 00, 8540 81 00, 8540 89 00, 8540 91 00 and 8540 99 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;

(xxxvi) in tariff items 8541 10 00, 8541 21 00 and 8541 29 00, for the entry in column (4) occurring against each of them, the entry "Free" shall be substituted;

(xxxvii) for the entry in column (4) occurring against all the tariff items of sub-headings 8541 30 and 8541 40, the entry "Free" shall be substituted;

(xxxviii) in tariff items 8541 50 00 and 8541 60 00, for the entry in column (4) occurring against each of them, the entry "Free" shall be substituted;

(xxxix) for the entry in column (4) occurring against all the tariff items of sub-headings 8543 19 and 8543 20, the entry "15%" shall be substituted;

(xl) in tariff items 8543 30 00 and 8543 40 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;

(xli) in tariff item 8543 81 00, for the entry in column (4), the entry "Free" shall be substituted;

(xlii) for the entry in column (4) occurring against all the tariff items of sub-heading 8543 89, the entry "15%" shall be substituted;

(xliii) in tariff item 8543 90 00, for the entry in column (4), the entry "15%" shall be substituted;

(xliv) for the entry in column (4) occurring against all the tariff items of sub-headings 8544 11, 8544 19 and 8544 20, the entry "15%" shall be substituted;

(xlv) in tariff item 8544 30 00, for the entry in column (4), the entry "15%" shall be substituted;

(xlvi) for the entry in column (4) occurring against all the tariff items of sub-headings 8544 41, 8544 49, 8544 51, 8544 59 and 8544 60, the entry "15%" shall be substituted;

(xlvii) for the entry in column (4) occurring against all the tariff items of sub-heading 8544 70, the entry "Free" shall be substituted;

(xlviii) for the entry in column (4) occurring against all the tariff items of headings 8545, 8546, 8547 and 8548, the entry "15%" shall be substituted;

(59) in Chapter 86, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;

(60) in Chapter 87,—

(i) for the entry in column (4) occurring against all the tariff items of headings 8701 and 8702, the entry "15%" shall be substituted;

- (ii) for the entry in column (4) occurring against all the tariff items of heading 8703, the entry "100%" shall be substituted;
- (iii) for the entry in column (4) occurring against all the tariff items of headings 8704, 8705, 8706, 8707, 8708 and 8709, the entry "15%" shall be substituted;
- (iv) for the entry in column (4) occurring against all the tariff items of heading 8711, the entry "100%" shall be substituted;
- (v) for the entry in column (4) occurring against all the tariff items of headings 8712, 8713, 8714, 8715 and 8716, the entry "15%" shall be substituted;
- (61) in Chapter 88, for the entry in column (4) occurring against all the tariff items (except tariff items 8802 20 00, 8802 30 00, 8802 40 00, 8803 10 00, 8803 20 00 and 8803 30 00), the entry "15%" shall be substituted;
- (62) in Chapter 89, for the entry in column (4) occurring against all the tariff items (except tariff item 8908 00 00), the entry "15%" shall be substituted;
- (63) in Chapter 90,—
- (i) for the entry in column (4) occurring against all the tariff items of headings 9001, 9002, 9003, 9004, 9005, 9006, 9007 and 9008, the entry "15%" shall be substituted;
- (ii) in tariff item 9009 11 00, for the entry in column (4), the entry "Free" shall be substituted;
- (iii) in tariff item 9009 12 00, for the entry in column (4), the entry "15%" shall be substituted;
- (iv) in tariff item 9009 21 00, for the entry in column (4), the entry "Free" shall be substituted;
- (v) in tariff items 9009 22 00 and 9009 30 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;
- (vi) in tariff items 9009 91 00, 9009 92 00, 9009 93 00 and 9009 99 00, for the entry in column (4) occurring against each of them, the entry "Free" shall be substituted;
- (vii) in tariff items 9010 10 00, 9010 50 00, 9010 60 00 and 9010 90 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;
- (viii) for the entry in column (4) occurring against all the tariff items of headings 9011 and 9012, the entry "15%" shall be substituted;
- (ix) for the entry in column (4) occurring against all the tariff items of sub-heading 9013 10, the entry "15%" shall be substituted;
- (x) in tariff item 9013 20 00, for the entry in column (4), the entry "15%" shall be substituted;
- (xi) in tariff item 9013 80 10, for the entry in column (4), the entry "Free" shall be substituted;
- (xii) in tariff item 9013 80 90, for the entry in column (4), the entry "15%" shall be substituted;
- (xiii) in tariff item 9013 90 10, for the entry in column (4), the entry "Free" shall be substituted;
- (xiv) in tariff item 9013 90 90, for the entry in column (4), the entry "15%" shall be substituted;
- (xv) for the entry in column (4) occurring against all the tariff items of headings 9014, 9015, 9016, 9017, 9018 and 9019, the entry "15%" shall be substituted;
- (xvi) in tariff item 9020 00 00, for the entry in column (4), the entry "15%" shall be substituted;
- (xvii) for the entry in column (4) occurring against all the tariff items of headings 9021, 9022, 9023, 9024 and 9025, the entry "15%" shall be substituted;
- (xviii) for the entry in column (4) occurring against all the tariff items of heading 9026, the entry "Free" shall be substituted;
- (xix) in tariff item 9027 10 00, for the entry in column (4), the entry "15%" shall be substituted;
- (xx) in tariff item 9027 20 00, for the entry in column (4), the entry "Free" shall be substituted;
- (xxi) for the entry in column (4) occurring against all the tariff items of sub-heading 9027 30, the entry "Free" shall be substituted;
- (xxii) in tariff item 9027 40 00, for the entry in column (4), the entry "15%" shall be substituted;

- (xxiii) for the entry in column (4) occurring against all the tariff items of sub-headings 9027 50 and 9027 80, the entry "Free" shall be substituted;
- (xxiv) for the entry in column (4) occurring against all the tariff items of sub-heading 9027 90, the entry "15%" shall be substituted;
- (xxv) for the entry in column (4) occurring against all the tariff items of headings 9028 and 9029, the entry "15%" shall be substituted;
- (xxvi) in tariff items 9030 10 00, 9030 20 00 and 9030 31 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;
- (xxvii) for the entry in column (4) occurring against all the tariff items of sub-heading 9030 39, the entry "15%" shall be substituted;
- (xxviii) in tariff item 9030 40 00, for the entry in column (4), the entry "Free" shall be substituted;
- (xxix) in tariff item 9030 83 00, for the entry in column (4), the entry "15%" shall be substituted;
- (xxx) for the entry in column (4) occurring against all the tariff items of sub-headings 9030 89 and 9030 90, the entry "15%" shall be substituted;
- (xxxi) in tariff items 9031 10 00, 9031 20 00, 9031 30 00, 9031 49 00, 9031 80 00 and 9031 90 00, for the entry in column (4) occurring against each of them, the entry "15%" shall be substituted;
- (xxxii) for the entry in column (4) occurring against all the tariff items of heading 9032, the entry "15%" shall be substituted;
- (xxxiii) in tariff item 9033 00 00, for the entry in column (4), the entry "15%" shall be substituted;
- (64) in Chapter 91, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;
- (65) in Chapter 92, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;
- (66) in Chapter 93, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;
- (67) in Chapter 94, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;
- (68) in Chapter 95, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;
- (69) in Chapter 96, for the entry in column (4) occurring against all the tariff items, the entry "15%" shall be substituted;
- (70) in Chapter 97,—
- (i) for the entry in column (4) occurring against all the tariff items of heading 9701, the entry "15%" shall be substituted;
 - (ii) in tariff item 9702 00 00, for the entry in column (4), the entry "15%" shall be substituted;
 - (iii) for the entry in column (4) occurring against all the tariff items of headings 9703 and 9705, the entry "15%" shall be substituted;
 - (iv) in tariff item 9706 00 00, for the entry in column (4), the entry "15%" shall be substituted;
- (71) in Chapter 98,—
- (i) for the entry in column (4) occurring against all the tariff items of heading 9801, the entry "15%" shall be substituted;
 - (ii) in tariff item 9802 00 00, for the entry in column (4), the entry "15%" shall be substituted;
 - (iii) in tariff item 9803 00 00, for the entry in column (4), the entry "100%" shall be substituted;
 - (iv) for the entry in column (4) occurring against all the tariff items of headings 9804 and 9805, the entry "15%" shall be substituted.

PART II

In the First Schedule to the Customs Tariff Act,—

1. In Chapter 22, for heading 2208 and the entries relating thereto, the following sub-headings, tariff items and entries shall be substituted, namely:—

Tariff Item	Description of goods	Unit	Rate of duty	
			Standard	Per cent Areas
(1)	(2)	(3)	(4)	(5)
2208	Undenatured ethyl alcohol of an alcoholic strength by volume of less than 80% vol.; spirit, liqueurs and other spirituous beverages			
2208 20	- <i>Spirits obtained by distilling grape wine or grape marc:</i>			
	--- <i>In containers holding 2 l or less:</i>			
2208 20 11	--- Brandy	l	182%	-
2208 20 12	--- Liquors	l	182%	-
2208 20 19	--- Other	l	182%	-
	--- Other			
2208 20 91	--- Brandy	l	182%	-
2208 20 92	--- Liquors	l	182%	-
2208 20 99	--- Other	l	182%	-
2208 30	- <i>Whiskies:</i>			
	--- <i>In containers holding 2 l or less:</i>			
2208 30 11	--- Bourbon whiskey	l	182%	-
2208 30 12	--- Scotch	l	182%	-
2208 30 13	--- Blended	l	182%	-
2208 30 19	--- Other	l	182%	-
	--- Other			
2208 30 91	--- Bourbon whiskey	l	182%	-
2208 30 92	--- Scotch	l	182%	-
2208 30 93	--- Blended	l	182%	-
2208 30 99	--- Other	l	182%	-
2208 40	- <i>Rum and tafia:</i>			
	--- <i>In containers holding 2 l or less:</i>			
2208 40 11	--- Rum	l	182%	-
2208 40 12	--- Tafia	l	182%	-
	--- Other			
2208 40 91	--- Rum	l	182%	-
2208 40 92	--- Tafia	l	182%	-
2208 50	- <i>Gin and Geneva:</i>			
	--- <i>In containers holding 2 l or less:</i>			
2208 50 11	--- Gin	l	182%	-
2208 50 12	--- Geneva	l	182%	-
2208 50 13	--- Vodka	l	182%	-
	--- Other:			
2208 50 91	--- Gin	l	182%	-
2208 50 92	--- Geneva	l	182%	-
2208 50 93	--- Vodka	l	182%	-
2208 70	- <i>Liqueurs and cordials:</i>			
	--- <i>In containers holding 2 l or less:</i>			
2208 70 11	--- Liqueurs	l	182%	-
2208 70 12	--- Cordials	l	182%	-
	--- Other			

Tariff Item	Description of goods	Unit	Rate of duty	
			Stand- ard	Preferential Areas
(1)	(2)	(3)	(4)	(5)
2208 70 91	— Liqueurs	l	182%	-
2208 70 92	— Cordials	l	182%	-
2208 90	- Other: — In containers holding 2 l or less:			
2208 90 11	— Tequila	l	182%	-
2208 90 12	— Indenatured ethyl alcohol	l	182%	-
2208 90 19	— Other — Other	l	182%	-
2208 90 91	— Tequila	l	182%	-
2208 90 92	— Indenatured ethyl alcohol	l	182%	-
2208 90 99	— Other	l	182%	-
(z) in Chapter 28,—				
(i) in heading 2812,—				
(a) for tariff item 2812 10 10 and the entries relating thereto, the following shall be substituted, namely:—				
“2812 10 10	— Phosgene (carbonyl chloride, carbonyl dichloride, carbon oxy-chloride, chloroformyl chloride)	kg.	15%	-”;
(b) for tariff item 2812 10 20 and entries relating thereto, the following shall be substituted, namely:—				
“— Phosphorus trichloride and Phosphorus pentachloride:				
2812 10 21	— Phosphorus trichloride	kg.	15%	-
2812 10 22	— Phosphorus pentachloride	kg.	15%	-”;
(c) for tariff item 2812 10 40 and the entries relating thereto, the following shall be substituted, namely:—				
“— Sulphur oxychloride, Sulphur monochloride, Sulphur dichloride and Thionyl chloride:				
2812 10 41	— Sulphur oxychloride	kg.	15%	-
2812 10 42	— Sulphur monochloride	kg.	15%	-
2812 10 43	— Sulphur dichloride	kg.	15%	-
2812 10 47	— Thionyl chloride	kg.	15%	-”;
(d) after tariff item 2812 10 50 and the entries relating thereto, the following shall be inserted, namely:—				
“2812 10 60	— Arsenous trichloride	kg.	15%	-”;
(ii) in heading 2851, for tariff item 2851 00 90 and the entries relating thereto, the following shall be substituted, namely:—				
“— Other:				
2851 00 91	— Cyanogen chloride [(CN) Cl]	kg.	15%	-
2851 00 99	— Other	kg.	15%	-”;
(2) in Chapter 29,—				
(i) in heading 2903, for tariff item 2903 30 10 and the entries relating thereto, the following shall be substituted, namely:—				
“— Fluorinated derivatives:				
2903 30 11	— 1-Propene, 1, 1,3,3,3,- Pentafluoro - 2-(trifluoromethyl) (PFIB)	kg.	15%	-
2903 30 19	— Other	kg.	15%	-”;

Tariff Item	Description of goods	Unit	Rate of duty		
			Stand- ard	Preferential Areas	
(1)	(2)	(3)	(4)	(5)	
<i>(ii) in heading 2904, after tariff item 2904 90 70 and the entries relating thereto, the following shall be inserted, namely:—</i>					
“2904 90 80	— Chloropicrin (Trichloronitro-Methane)	kg.	15%	—”;	
<i>(iii) in heading 2905, for tariff item 2905 19 00 and the entries relating thereto, the following shall be substituted, namely:—</i>					
“2905 19	— <i>Other</i> :				
2905 19 10	— 2-Butanol, 3, 3-dimethyl-	kg.	15%	—	
2905 19 90	— Other	kg.	15%	—”;	
<i>(iv) in heading 2918, for tariff item 2918 19 00 and the entries relating thereto, the following shall be substituted, namely:—</i>					
“2918 19	— <i>Other</i> :				
2918 19 10	— Benzeneacetic acid, alpha-hydroxy-alpha-phenyl-	kg.	15%	—	
2918 19 90	— Other	kg.	15%	—”;	
<i>(v) in heading 2920,—</i>					
<i>(a) for tariff item 2920 10 00 and the entries relating thereto, the following shall be substituted, namely:—</i>					
“—	<i>Phosphorothioic acid, S [2-(diethylamino) ethyl] O,O-diethyl ester; and Thiophosphoric esters (phosphorothioates) and their salts; their halogenated, sulphonated, nitrated or nitrosated derivatives :</i>				
2920 10 10	— Phosphorothioic acid, S [2-(diethylamino) ethyl] O,O-diethyl ester	kg.	15%	—	
2920 10 20	— Thiophosphoric esters (phosphorothioates) and their salts; their halogenated, sulphonated, nitrated or nitrosated derivatives	kg.	15%	—”;	
<i>(b) for tariff item 2920 90 90 and the entries relating thereto, the following shall be substituted, namely:—</i>					
“—	<i>Other</i> :				
2920 90 41	— Trimethyl Phosphite	kg.	15%	—	
2920 90 42	— Triethyl Phosphite	kg.	15%	—	
2920 90 43	— Dimethyl Phosphite	kg.	15%	—	
2920 90 44	— Diethyl Phosphite	kg.	15%	—	
2920 90 45	— O, O, Dimethyl Methyl Phosphonate	kg.	15%	—	
2920 90 47	— Phosphonic Acid, Methyl- compound with (aminoimino methyl) urea (1:1)	kg.	15%	—	
2920 90 48	— 1-Propanaminium N, N, N-trimethyl -3-[1-oxo-9-octadecenyl]amino]-,(Z)- methyl methylphosphonate	kg.	15%	—	

Tariff Item	Description of goods	Unit	Rate of duty	
			Standard	Preferential Areas
(1)	(2)	(3)	(4)	(5)
2920 90 51	— Phosphonic acid, [methyl-bis (5-ethyl-2-methyl-2-oxido-1,3,2-dioxaphosphorinan-5-yl)methyl] ester	kg.	15%	-
2920 90 52	— Phosphonic acid, [methyl-(5-ethyl-2-methyl-2-oxido-1,3,2-dioxaphosphorinan-5-yl)methyl] ester	kg.	15%	-
2920 90 53	— Phosphonic acid, propyl-dimethyl ester	kg.	15%	-
2920 90 54	— Phosphonous acid, methyl-diethyl ester	kg.	15%	-
2920 90 55	— Phosphonic acid, ethyl-	kg.	15%	-
2920 90 56	— Phosphonic acid, propyl-	kg.	15%	-
2920 90 57	— Phosphinic acid, methyl-	kg.	15%	-
2920 90 58	— Phosphonochloridic acid, methyl-, methyl ester	kg.	15%	-
2920 90 61	— Phosphonothioic dichloride, ethyl-	kg.	15%	-
2920 90 62	— Phosphonic acid, methyl-	kg.	15%	-
2920 90 63	— Phosphonic acid, methyl-, dimethyl ester	kg.	15%	-
2920 90 64	— Phosphonic dichloride, methyl-	kg.	15%	-
2920 90 65	— Phosphonous dichloride, methyl-	kg.	15%	-
2920 90 66	— Phosphonic acid, ethyl-, diethyl ester	kg.	15%	-
2920 90 99	— Other	kg.	15%	-";

(vi) in heading 2921, for tariff item 2921 19 00 and the entries relating thereto, the following shall be substituted, namely:—

2921 19	— <i>Other :</i> — <i>2-Chloro N,N-Di-isopropyl ethylamine and Ethanamine, 2-Chloro-N, N-dimethyl :</i>			
2921 19 11	— <i>2-Chloro N,N-Di-isopropyl ethylamine</i>	kg.	15%	-
2921 19 14	— <i>Ethanamine, 2-Chloro-N, N-dimethyl</i>	kg.	15%	-
2921 19 90	— <i>Other</i>	kg.	15%	-";

(vii) in heading 2922,—

(a) for tariff items 2922 11 00 and 2922 12 00 and the entries relating thereto, the following shall be substituted, namely:—

2922 11	— <i>Monoethanolamine and its salts:</i> — <i>2-Hydroxy N,N-Diisopropyl Ethylamine, N,N-Diethyl Amino ethyl Chloride Hydrochloride, Di-ethyl Amino ethanethiol Hydrochloride, Di-Methyl Amino ethyl chloride Hydrochloride, Di-Methyl Amino ethanethiol, Di-Methyl Amino ethanethiol Hydrochloride:</i>			
2922 11 11	— <i>2-Hydroxy N,N-Diisopropyl Ethylamine</i>	kg.	15%	-
2922 11 12	— <i>N,N-Diethyl Amino ethyl Chloride Hydrochloride</i>	kg.	15%	-
2922 11 13	— <i>Di-ethyl Amino ethanethiol Hydrochloride</i>	kg.	15%	-

Tariff Item	Description of goods	Unit	Rate of duty	
			Stand- ard	Preferential Areas
(1)	(2)	(3)	(4)	(5)
2922 11 14	— Di-Methyl Amino ethyl chloride Hydrochloride	kg.	15%	-
2922 11 15	— Di-Methyl Amino ethanethiol	kg.	15%	-
2922 11 16	— Di-Methyl Amino ethanethiol Hydrochloride	kg.	15%	-
2922 11 90	— Other	kg.	15%	-
2922 12	— <i>Diethanolamine and its salts:</i> — <i>Ethyldiethanolamine and Methylmethanolamine :</i>			
2922 12 11	— Ethyldiethanolamine	kg.	15%	-
2922 12 12	— Methylmethanolamine	kg.	15%	-
2922 12 90	— Other	kg.	15%	-";

(b) for tariff item 2922 19 00 and the entries relating thereto, the following shall be substituted, namely:—

“2922 19	— <i>Other :</i>			
2922 19 10	— Diethyl aminoethanethiol	kg.	15%	-
2922 19 20	— Ethanol, 2-[bis(1-methylethyl) amino]-	kg.	15%	-
2922 19 30	— Ethanethiol, 2-(diethylamino)-	kg.	15%	-
2922 19 90	— Other	kg.	15%	-";

(viii) in heading 2930, for tariff item 2930 90 90 and the entries relating thereto, the following shall be substituted, namely:—

“— <i>Other :</i>				
2930 90 91	— Ethanol, 2,2'-thiobis-	kg.	15%	-
2930 90 99	— Other	kg.	15%	-";

(ix) in heading 2933, after tariff item 2933 39 20 and the entries relating thereto, the following shall be inserted, namely:—

“2933 39 30	— 1-Azabicyclo (2.2.2.) octan-3-ol	kg.	15%	-";
-------------	------------------------------------	-----	-----	-----

(x) in heading 2939, for tariff item 2939 29 00 and the entries relating thereto, the following shall be substituted, namely:—

“2939 29	— <i>Other :</i>			
2939 29 10	— Benzeneacetic acid, alpha-hydroxy-alpha-phenyl, 1-azabicyclo[2.2.2.]oct-3-yl ester	kg.	15%	-
2939 29 90	— Other	kg.	15%	-";

THE THIRD SCHEDULE

(See section 81)

THE THIRD SCHEDULE

[See section 2(f)(iii)]

NOTES

1. In this Schedule, "heading", "sub-heading" and "tariff item" mean respectively a heading, sub-heading and tariff item in the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986).

2. The rules for the interpretation of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), the Section and Chapter Notes and the General Explanatory Notes of the said First Schedule shall, apply to the interpretation of this Schedule.

S. No.	Heading, sub-heading or tariff item	Description of goods
(1)	(2)	(3)
1.	0402 91 10 or 0402 99 20	Concentrated (condensed) milk, whether sweetened or not put up in unit containers and ordinarily intended for sale
2.	1702	Preparation of other sugar
3.	1702	Sugar syrups not containing added flavouring or colouring matter, artificial honey whether or not mixed with natural honey; caramel
4.	1704	Gums, whether or not sugar coated (including chewing gum, bubble gum and the like)
5.	1704 90	All goods
6.	1805 00 00 or 1806 10 00	Cocoa powder, whether or not containing added sugar or other sweetening matter
7.	1806	Other food preparations containing cocoa.
8.	1806 90 10	Chocolates in any form, whether or not containing nuts, fruit kernels or fruits, including drinking chocolates
9.	1901 20 00 or 1901 90	All goods
10.	1902	All goods other than seviyan (Vermicelli)
11.	1904	All goods
12.	1905 31 00 or 1905 90 20	Biscuits, in or in relation to the manufacture of which any process is ordinarily carried on with the aid of power
13.	1905 32 11 or 1905 32 90	Waffles and wafers, coated with chocolate or containing chocolate
14.	1905 32 19 or 1905 32 90	All goods
15.	2101 11 00 or 2101 12 00	Extracts, essences and concentrates, of coffee, and preparations with a basis of these extracts, essences or concentrates or with a basis of coffee
16.	2102	All goods
17.	2105 00 00	Ice cream and other edible ice, whether or not containing cocoa
18.	2106 90 20	Pan masala, only in retail packs containing ten grams or more per pack, other than the goods containing not more than 15% betel nut by weight and not containing tobacco in any proportion
19.	2106 90 30	Betel nut powder known as "Supari"
20.	2106 90 11	Sharbat
21.	2106 10 00, 2106 90 19,	Edible preparations (excluding "Prasad or prasadam"), not elsewhere specified or included, bearing a brand name

S. No.	Heading, sub-heading or tariff item	Description of goods
(1)	(2)	(3)
	2106 90 40, 2106 90 50, 2106 90 60, 2106 90 70, 2106 90 80, 2106 90 91, 2106 90 99	
22.	2201	Waters, including natural or artificial mineral waters (excluding Aerated waters), bearing a brand name
23.	2201 10 20	Aerated waters
24.	2202 10 10	Aerated waters
25.	2202 10 90	Waters, including mineral waters, bearing a brand name
26.	2209	Vinegar and substitutes for vinegar obtained from acetic acid
27.	2403 99 10, 2403 99 20, 2403 99 30	Chewing tobacco and preparations containing chewing tobacco
28.	2403 99 90	Pan masala containing tobacco
29.	2523 21 00	White cement, whether or not artificially coloured and whether or not with rapid hardening properties
30.	2710	Lubricating oils and lubricating preparations
31.	3204 20 or 3204 90 00	Synthetic organic products of a kind used as fluorescent brightening agents or as a luminophores
32.	3206	All goods other than pigments and inorganic products of a kind used as luminophores
33.	3208 or 3209 or 3210	All goods
34.	3212 90	Dyes and other colouring matter put up in forms or small packing of kind used for domestic or laboratory purposes
35.	(i) 3213 (ii) 3214	All goods All goods excluding primers (heading 3208), varnishes (heading 3209)
36.	(i) 3303 or 3304 (ii) 3305	Perfumes and toilet waters, not containing the substances specified in Note 1(d) to this Chapter. All goods
37.	3306	Toothpaste
38.	3307	All goods, not containing the substances specified in Note 1(d) to this Chapter
39.	3401	Soaps in any form other than the following : (i) soap, other than for toilet use, whether or not containing medicament or disinfectant; (ii) soap, in or in relation to the manufacture of which no process has been carried on with the aid of power or of steam; and (iii) laundry soaps produced by a factory owned by the Khadi and Village Industries Commission or any organisation approved by the said Commission for the purpose of manufacture of such soaps
40.	(i) 3401 (ii) 3402	Organic surface-active products and preparations for use as soap in the form of bars, cakes, moulded pieces or shapes All goods other than sulphonated castor oil, fish oil or sperm oil
41.	3403	Lubricating preparations (including cutting-oil preparations, bolt or nut release preparations, anti-rust or anti-corrosion preparations and mould release preparations based on lubricants)
42.	3405	Polishes and creams, for footwear, furniture, floors, coachwork, glass or metal, scouring pastes and powders and similar preparations (whether or not in the form of paper, wadding, felt, non-wovens, cellular plastics or cellular rubber, impregnated, coated or covered with such preparations), excluding waxes of heading 3404

S. No.	Heading, sub-heading or tariff item	Description of goods
(1)	(2)	(3)
43.	3506	Prepared glues and other prepared adhesives not elsewhere specified or included
44.	3702	All goods other than for X-ray and cinematograph films, unexposed
45.	3808	Insecticides, fungicides, herbicides, weedicides and pesticides
46.	3808	Disinfectants and similar products
47.	3814 00 10	Thinner
48.	3819	Hydraulic brake fluids and other prepared liquids for hydraulic transmission, not containing or containing less than 70% by weight of petroleum oils obtained from bituminous minerals
49.	3820 20 00	Anti-freezing preparations and prepared de-icing fluids
50.	3824 or 3825	Stencil correctors and other correcting fluids, ink removers put up in packings for retail sale
51.	3919	Self-adhesive tapes of plastics
52.	3923 or 3924	Insulated ware
53.	4816	Carbon paper, self-copy paper, duplicator stencils, of paper
54.	4818	Cleansing or facial tissues, handkerchiefs and towels of paper pulp, paper, cellulose wadding or webs of cellulose fibres
55.	6401 to 6405	Footwear
56.	6506 10	Safety headgear
57.	6907	Vitrified tiles, whether polished or not
58.	6908	Glazed tiles
59.	7321	Cooking appliances and plate warmers
60.	7323	Pressure cookers
61.	7324	Sanitary ware of iron or steel
62.	7418	Sanitary ware of copper
63.	7615 19 10	Pressure cookers
64.	8212	Razor and razor blades (including razor blade blanks in strips)
65.	8305	Staples in strips, paper clips of base metal
66.	8414	Electric fans
67.	8415	Window room air-conditioners and split air-conditioners of capacity up to 3 tonnes
68.	8418	Refrigerators
69.	8421	Water filters and water purifiers, of a kind used for domestic purposes
70.	8422	Dish washing machines
71.	8450	Household or laundry type washing machines, including machines which both wash and dry
72.	8469	Typewriters, other than braille typewriters
73.	8470	Calculating machines and pocket-size data recording, reproducing and displaying machines with calculating functions
74.	8472	Stapling machines (staplers)
75.	8506	Primary cells and primary batteries
76.	8509	Electro-mechanical domestic appliances with self-contained electric motor
77.	8510	Shavers, hair clippers and hair-removing appliances, with self-contained electric motor
78.	8513	Portable electric lamps designed to function by their own source of energy (for example, dry batteries, accumulators, magnetos), other than lighting equipment of heading 8512
79.	8516	Electric instantaneous or storage water heaters and immersion heaters, electric space heating apparatus and soil heating apparatus, electro-thermic hair-dressing apparatus (for example, hair dryers, hair curlers, curling tong heaters) and hand dryers; electric smoothing iron; other electro-thermic appliances of a kind used for domestic purposes
80.	8517	Telephone sets including telephones with cordless handsets; video phones; facsimile machines
81.	8519 or 8520	All goods

S. No.	Heading, sub-heading or tariff item	Description of goods
(1)	(2)	(3)
82.	8521	All goods
83.	8523	Unrecorded audio cassettes
84.	8523	Video cassettes
85.	8523	Magnetic discs
86.	8524	Video cassettes
87.	8524	Magnetic discs
88.	8525	Pagers, cellular or mobile phones
89.	8527	Radio sets including transistor sets, having the facility of receiving radio signals and converting the same into audio output with no other additional facility like sound recording or reproducing or clock in the same housing or attached to it
90.	8527	Reception apparatus for radio-broadcasting, whether or not combined, in the same housing with sound recording or reproducing apparatus or a clock
91.	8528	Television receivers (including video monitors and video projectors), whether or not incorporating radio broadcast receivers or sound or video recording or reproducing apparatus
92.	8536	All goods
93.	8539	Electric filament or discharge lamps, including sealed beam lamp units and ultra-violet or infra-red lamps; arc lamps
94.	9006	Photographic (other than cinematographic) cameras
95.	9101 or 9102	Watches other than braille watches
96.	9103 or 9105	Clocks
97.	9612	All goods
98.	9617	Vacuum flasks.'

THE FOURTH SCHEDULE

(See section 82)

S.No.	Provisions of the Central Excise Rules, 1944 to be amended	Amendment	Date of effect of amendment
(1)	(2)	(3)	(4)
1.	Rule 57CC of the Central Excise Rules, 1944 as inserted by notification No. G.S.R. 324(E), dated the 23rd July, 1996 [14/96-Central Excise (N.T.), dated the 23rd July, 1996]	In the Central Excise Rules, 1944, in rule 57CC, the <i>Explanation</i> shall be numbered as <i>Explanation 1</i> thereof; and after <i>Explanation 1</i> as so numbered, the following <i>Explanation</i> shall be inserted, namely:— “ <i>Explanation 2</i> .—If the manufacturer fails to pay the said amount, it shall be recovered along with interest in the same manner, as provided in rule 57-I, for recovery of credit wrongly taken.”.	1st day of August, 1996 to 28th day of February, 1997 (both days inclusive)
2.	Rule 57CC of the Central Excise Rules, 1944 as substituted by notification No. G.S.R. 122(E), dated the 1st March, 1997 [6/97-Central Excise (N.T.), dated the 1st March, 1997]	In the Central Excise Rules, 1944, in rule 57CC, after sub-rule (9), the following <i>Explanation</i> shall be inserted, namely:— “ <i>Explanation</i> .— If the manufacturer fails to pay the said amount, it shall be recovered along with interest in the same manner, as provided in rule 57-I, for recovery of credit wrongly taken.”.	1st day of March, 1997 to 31st day of March, 2000 (both days inclusive)
3.	Rule 57D of the Central Excise Rules, 1944 as substituted by notification No. G.S.R. 203(E), dated the 1st March, 2000 [11/2000-Central Excise (N.T.), dated the 1st March, 2000] and as substituted by rule 57AD by notification No. 298(E), dated the 31st March, 2000 [27/2000-Central Excise (N.T.), dated the 31st March, 2000]	In the Central Excise Rules, 1944, in rule 57AD, after sub-rule (2), the <i>Explanation</i> shall be numbered as <i>Explanation 1</i> thereof; and after <i>Explanation 1</i> as so numbered, the following <i>Explanation</i> shall be inserted, namely:— “ <i>Explanation 2</i> .—If the manufacturer fails to pay the said amount, it shall be recovered along with interest in the same manner, as provided in rule 57AH, for recovery of CENVAT credit wrongly taken.”.	1st day of April, 2000 to 30th day of June, 2001 (both days inclusive)

THE FIFTH SCHEDULE

(See section 83)

Provisions of the CENVAT Credit Rules, 2001 to be amended	Amendment	Date of effect of amendment
(1)	(2)	(3)
Rule 6 of the CENVAT Credit Rules, 2001 as published by notification No. G.S.R. 445(E), dated the 21st June, 2001 [31/2001- Central Excise (N.T.), dated the 21st June, 2001]	In the CENVAT Credit Rules, 2001, in rule 6, after sub-rule (3), the <i>Explanation</i> shall be numbered as <i>Explanation</i> 1 thereof; and after <i>Explanation</i> 1 as so numbered, the following <i>Explanation</i> shall be inserted, namely:— “ <i>Explanation</i> 2.—If the manufacturer fails to pay the said amount, it shall be recovered along with interest in the same manner, as provided in rule 12, for recovery of CENVAT credit wrongly taken.”.	1st day of July, 2001 to the 28th day of February, 2002 (both days inclusive).

THE SIXTH SCHEDULE

(See section 84)

Notification No. and date	Text of Amendment 2001 to be amended	Date of effect of amendment
G.S.R.277(E), dated the 1st March, 1988 [88/88-Central Excise, dated the 1st March, 1988]	In the said notification, in the <i>Explanation</i> , for clause (a), the following clause shall be substituted, namely:— ‘(a) the expression “rural area” shall have the meaning assigned to it in clause (ff) of section 2 of the Khadi and Village Industries Commission Act, 1956 (61 of 1956).’.	21st day of February, 2000 to 28th day of February, 2003 (both days inclusive)

THE SEVENTH SCHEDULE

(See section 85)

NOTES

1. In this Schedule, "heading", "sub-heading", "tariff item" and "Chapter" mean respectively a heading, sub-heading, tariff item and Chapter in the First Schedule to the Central Excise Tariff Act.

2. The rules for the interpretation of the First Schedule to the Central Excise Tariff Act, the Section and Chapter Notes and the General Explanatory Notes of the First Schedule shall apply to the interpretation of this Schedule.

Tariff item	Description of goods	Unit	Rate of duty
(1)	(2)	(3)	(4)
2106 90 20	Pan masala	kg.	10%
2401	UNMANUFACTURED TOBACCO; TOBACCO REFUSE		
2401 10	<i>Tobacco, not stemmed or stripped:</i>		
2401 10 10	Flue cured Virginia tobacco	kg.	10%
2401 10 20	Sun cured country (natu) tobacco	kg.	10%
2401 10 30	Sun cured Virginia tobacco	kg.	10%
2401 10 40	Burley tobacco	kg.	10%
2401 10 50	Tobacco for manufacture of biris, not stemmed	kg.	10%
2401 10 60	Tobacco for manufacture of chewing tobacco	kg.	10%
2401 10 70	Tobacco for manufacture of cigar and cheroot	kg.	10%
2401 10 80	Tobacco for manufacture of hookah tobacco	kg.	10%
2401 10 90	Other	kg.	10%
	<i>Tobacco partly or wholly stemmed or stripped:</i>		
2401 20 10	Flue cured virginia tobacco	kg.	10%
2401 20 20	Sun cured country (natu) tobacco	kg.	10%
2401 20 30	Sun cured virginia tobacco	kg.	10%
2401 20 40	Burley tobacco	kg.	10%
2401 20 50	Tobacco for manufacture of biris, not stemmed	kg.	10%
2401 20 60	Tobacco for manufacture of chewing tobacco	kg.	10%
2401 20 70	Tobacco for manufacture of cigar and cheroot	kg.	10%
2401 20 80	Tobacco for manufacture of hookah tobacco	kg.	10%
2401 20 90	Other	kg.	10%
2401 30 00	Tobacco refuse	kg.	10%
2402	CIGARS, CHEROOTS, CIGARILLOS AND CIGARETTES, OF TOBACCO OR OF TOBACCO SUBSTITUTES		
2402 10	<i>Cigars, cheroots and cigarillos, containing tobacco:</i>		
2402 10 10	Cigars and cheroots	T u	10%
2402 10 20	Cigarillos	T u	10%
2402 20	<i>Cigarettes containing tobacco:</i>		
2402 20 10	Other than filter cigarettes, of length not exceeding 60 millimetres	T u	Rs.15 per thousand
2402 20 20	Other than filter cigarettes, of length exceeding 60 millimetres but not exceeding 70 millimetres	T u	Rs.45 per thousand
2402 20 30	Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) not exceeding 70 millimetres	T u	Rs.70 per thousand
2402 20 40	Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) exceeding 70 millimetres but not exceeding 75 millimetres	T u	Rs.110 per thousand

Tariff item (1)	Description of goods (2)	Unit (3)	Rate of duty (4)
2402 20 50	Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) exceeding 75 millimetres but not exceeding 85 millimetres	T u	Rs.145 per thousand
2402 20 90	Other	T u	Rs.180 per thousand
2402 90	<i>Other :</i>		
2403	OTHER MANUFACTURED TOBACCO AND MANUFACTURED TOBACCO SUBSTITUTES; "HOMOGENISED" OR "RECONSTITUTED" TOBACCO, TOBACCO EXTRACTS AND ESSENCES		
2403 10	<i>Smoking tobacco, whether or not containing tobacco substitutes in any proportion:</i>		
2403 10 10	Hookah or gudaku tobacco bearing a brand name	kg.	10%
2403 10 20	Smoking mixtures for pipes and cigarettes	kg.	10%
2403 10 90	Other	kg.	10%
	<i>Other :</i>		
2403 91 00	"Homogenised" or "reconstituted" tobacco	kg.	10%
2403 99	<i>Other :</i>		
2403 99 10	Chewing tobacco	kg.	10%
2403 99 20	Preparations containing chewing tobacco	kg.	10%
2403 99 30	Jarda scented tobacco	kg.	10%
2403 99 40	Snuff	kg.	10%
2403 99 50	Preparations containing snuff	kg.	10%
2403 99 60	Tobacco extracts and essence	kg.	10%
2403 99 70	Cut tobacco	kg.	Rs. 5 per kg.
2403 99 90	Other	kg.	10%

THE EIGHTH SCHEDULE

[See section 86(a)]

In the First Schedule to the Central Excise Tariff Act,—

(1) in Chapter 15, after Note 5, the following Note shall be inserted, namely:—

“6. In relation to refined edible vegetable oils falling under headings 1507 to 1515, the process of refining, that is to say, any one or more of the processes, namely, treatment of crude oil with an alkali, bleaching and deodorisation, shall amount to ‘manufacture’.”;

(2) in Chapter 17, for the entry in column (4) occurring against all the tariff items of heading 1703, the entry “Rs. 1,000 per tonne” shall be substituted;

(3) in Chapter 22, in tariff item 2201 90 90, for the entry in column (4), the entry “16%” shall be substituted;

(4) in Chapter 25, in tariff item 2523 10 00, for the entry in column (4), the entry “Rs. 350 per tonne” shall be substituted;

(5) in Chapter 27,—

(i) for the entry in column (4) occurring against all tariff items of sub-heading 2710 11, the entry “16% plus Rs. 15.00 per litre” shall be substituted;

(ii) in tariff item 2710 19 30, for the entry in column (4), the entry “16% plus Rs. 5.00 per litre” shall be substituted;

(iii) in tariff item 2710 19 40, for the entry in column (4), the entry “16% plus Rs. 5.00 per litre” shall be substituted;

(6) in Chapter 57, in tariff items 5701 10 00, 5701 90 10 and 5701 90 90, for the entry in column (4) occurring against each of them, the entry “16%” shall be substituted;

(7) in Chapter 71, after Note 11, the following Notes shall be inserted, namely:—

‘12. In this Chapter, “brand name” or “trade name” means a brand name or trade name, whether registered or not, that is to say, a name or a mark, such as symbol, monogram, label, signature or invented words or any writing which is used in relation to a product, for the purpose of indicating, or so as to indicate, a connection in the course of trade between the product and some person using such name or mark with or without any indication of the identity of that person.

13. For the purposes of heading 7113, the processes of affixing or embossing trade name or brand name on articles of jewellery shall amount to “manufacture”.’

THE NINTH SCHEDULE

[See section 86(b)]

Tariff item	Description of goods	Unit	Rate of duty
(1)	(2)	(3)	(4)
In the Second Schedule to the Central Excise Tariff Act,—			
(a) after tariff item 2401 30 00 and the entries relating thereto, the following tariff items and entries shall be inserted, namely:—			
2403 10 10	— Hookah or gudaku tobacco	kg.	16%
2403 91 00	— “Homogenised” or “reconstituted” tobacco	kg.	16%’;
(b) after tariff item 2403 99 20 and the entries relating thereto, the following tariff item and entries shall be inserted, namely:—			
“2403 99 30	— Jarda scented tobacco	kg.	16%”;
(c) after tariff item 2403 99 50 and the entries relating thereto, the following tariff item and entries shall be inserted, namely:—			
“2403 99 60	— Tobacco, extracts and essence	kg.	16%”.

THE TENTH SCHEDULE

(See section 116)

'THE FIRST SCHEDULE

[See section 3(7)]

NOTES

1. In this Schedule, "tariff item", "heading", "sub-heading" and "Chapter" mean respectively a tariff item, heading, sub-heading and Chapter in the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986).

2. The rules for the interpretation of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), the Section and Chapter Notes and the General Explanatory Notes of the First Schedule shall, so far as may be, apply to the interpretation of this Schedule.

Tariff Item	Description of goods	Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)
1701	CANE OR BEET SUGAR AND CHEMICALLY PURE SUCROSE, IN SOLID FORM		
	<i>Raw sugar not containing added flavouring or colouring matter :</i>		
1701 11	<i>Cane sugar:</i>		
1701 11 10	Cane jaggery	kg.	Rs. 37 per quintal
1701 11 90	Other	kg.	Rs. 37 per quintal
1701 12 00	Beet sugar	kg.	Rs. 37 per quintal
	<i>Other :</i>		
1701 91 00	Refined sugar containing added flavouring or colouring matter	kg.	Rs. 37 per quintal
1701 99	<i>Other:</i>		
1701 99 10	Sugar cubes	kg.	Rs. 37 per quintal
1701 99 90	Other	kg.	Rs. 37 per quintal
1702 90 10	Palmyra sugar	kg.	Nil
2401	UNMANUFACTURED TOBACCO; TOBACCO REFUSE		
	<i>Tobacco, not stemmed or stripped :</i>		
2401 10			
2401 10 10	Flue cured virginia tobacco	kg.	10%
2401 10 20	Sun cured country (natu) tobacco	kg.	10%
2401 10 30	Sun cured virginia tobacco	kg.	10%
2401 10 40	Burley tobacco	kg.	10%
2401 10 50	Tobacco for manufacture of biris, not stemmed	kg.	10%
2401 10 60	Tobacco for manufacture of chewing tobacco	kg.	10%
2401 10 70	Tobacco for manufacture of cigar and cheroot	kg.	10%
2401 10 80	Tobacco for manufacture of hookah tobacco	kg.	10%
2401 10 90	Other	kg.	10%
2401 20	<i>Tobacco, partly or wholly stemmed or stripped :</i>		
2401 20 10	Flue cured virginia tobacco	kg.	10%
2401 20 20	Sun cured country (natu) tobacco	kg.	10%
2401 20 30	Sun cured virginia tobacco	kg.	10%
2401 20 40	Burley tobacco	kg.	10%
2401 20 50	Tobacco for manufacture of biris	kg.	10%

Tariff Item	Description of goods		Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)	
2401 20 60	---	Tobacco for manufacture of chewing tobacco	kg.	10%
2401 20 70	---	Tobacco for manufacture of cigar and cheroot	kg.	10%
2401 20 80	---	Tobacco for manufacture of hookah tobacco	kg.	10%
2401 20 90	---	Other	kg.	10%
2401 30 00	-	Tobacco refuse	kg.	10%
2402		CIGARS, CHEROOTS, CIGARILLOS AND CIGARETTES, OF TOBACCO OR OF TOBACCO SUBSTITUTES		
2402 10	-	<i>Cigars, cheroots and cigarillos, containing tobacco :</i>		
2402 10 10	---	Cigar and cheroots	Tu	Nil
2402 10 20	---	Cigarillos	Tu	Nil
2402 20	-	<i>Cigarettes, containing tobacco :</i>		
2402 20 10	---	Other than filter cigarettes, of length not exceeding 60 millimetres	Tu	Rs. 37 per thousand
2402 20 20	---	Other than filter cigarettes, of length exceeding 60 millimetres but not exceeding 70 millimetres	Tu	Rs. 125 per thousand
2402 20 30	---	Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) not exceeding 70 millimetres	Tu	Rs. 185 per thousand
2402 20 40	---	Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) exceeding 70 millimetres but not exceeding 75 millimetres	Tu	Rs. 300 per thousand
2402 20 50	---	Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) exceeding 75 millimetres but not exceeding 85 millimetres	Tu	Rs. 400 per thousand
2402 20 90	---	Other	Tu	Rs. 495 per thousand
2402 90	-	<i>Other:</i>		
2402 90 90	---	Other	Tu	Nil
2403		OTHER MANUFACTURED TOBACCO		
2403 10 10	---	Hookah or gudaku tobacco	kg.	18%
2403 10 20	---	Smoking mixtures for pipes and cigarettes	kg.	75%
	---	<i>Biris:</i>		
2403 10 31	---	Other than paper rolled biris, manufactured without the aid of machine	Tu	Rs. 1.40 per thousand
2403 10 39	---	Other	Tu	Rs. 3.50 per thousand
2403 10 90	---	Other	kg.	18%
2403 99	-	<i>Other:</i>		
2403 99 10	---	Chewing tobacco	kg.	18%
2403 99 20	---	Preparations containing chewing tobacco	kg.	18%

Tariff Item	Description of goods	Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)
2403 99 30	— Jarda scented tobacco	kg.	18%
2403 99 40	— Snuff	kg.	18%
2403 99 50	— Preparations containing snuff	kg.	18%
2403 99 70	— Cut-tobacco	kg.	Nil
2403 99 90	— Other	kg.	18%
5007	WOVEN FABRICS OF SILK OR OF SILK WASTE		
5007 10 00	— Fabrics of noil silk	m ²	Nil
5007 20	— Other fabrics, containing 85% or more by weight of silk or of silk waste other than noil silk :		
5007 20 10	— Sarees	m ²	Nil
5007 20 90	— Other	m ²	Nil
5007 90 00	— Other fabrics	m ²	Nil
5111	WOVEN FABRICS OF CARDED WOOL EXCLUDING HAIR BELTING <i>Containing 85% or more by weight of wool :</i>		
5111 11	— Of a weight not exceeding 300 g/m ² :		
5111 11 10	— Unbleached	m ²	8%
5111 11 20	— Bleached	m ²	8%
5111 11 30	— Dyed	m ²	8%
5111 11 40	— Printed	m ²	8%
5111 11 90	— Other	m ²	8%
5111 19	— Other :		
5111 19 10	— Unbleached	m ²	8%
5111 19 20	— Bleached	m ²	8%
5111 19 30	— Dyed	m ²	8%
5111 19 40	— Printed	m ²	8%
5111 19 90	— Other	m ²	8%
5111 20	— Other, mixed mainly or solely with man-made filaments :		
5111 20 10	— Unbleached	m ²	8%
5111 20 20	— Bleached	m ²	8%
5111 20 30	— Dyed	m ²	8%
5111 20 40	— Printed	m ²	8%
5111 20 90	— Other	m ²	8%
5111 30	— Other, mixed mainly or solely with man-made staple fibres :		
5111 30 10	— Unbleached	m ²	8%
5111 30 20	— Bleached	m ²	8%
5111 30 30	— Dyed	m ²	8%
5111 30 40	— Printed	m ²	8%
5111 30 90	— Other	m ²	8%
5111 90	— Other :		
5111 90 10	— Unbleached	m ²	8%
5111 90 20	— Bleached	m ²	8%
5111 90 30	— Dyed	m ²	8%
5111 90 40	— Printed	m ²	8%
5111 90 90	— Other	m ²	8%
5112	WOVEN FABRICS OF COMBED WOOL EXCLUDING HAIR BELTING <i>Containing 85% or more by weight of wool:</i>		
5112 11	— Of a weight not exceeding 200 g/m ² :		
5112 11 10	— Unbleached	m ²	8%
5112 11 20	— Bleached	m ²	8%
5112 11 30	— Dyed	m ²	8%
5112 11 40	— Printed	m ²	8%
5112 11 90	— Other	m ²	8%
5112 19	— Other :		

Tariff Item	Description of goods	Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)
5112 19 10	Unbleached	m ²	8%
5112 19 20	Bleached	m ²	8%
5112 19 30	Dyed	m ²	8%
5112 19 40	Printed	m ²	8%
5112 19 90	Other	m ²	8%
5112 20	<i>Other, mixed mainly or solely with man-made filaments:</i>		
5112 20 10	Unbleached	m ²	8%
5112 20 20	Bleached	m ²	8%
5112 20 30	Dyed	m ²	8%
5112 20 40	Printed	m ²	8%
5112 20 90	Other	m ²	8%
5112 30	<i>Other, mixed mainly or solely with man-made staple fibres :</i>		
5112 30 10	Unbleached	m ²	8%
5112 30 20	Bleached	m ²	8%
5112 30 30	Dyed	m ²	8%
5112 30 40	Printed	m ²	8%
5112 30 90	Other	m ²	8%
5112 90	<i>Other :</i>		
5112 90 10	Unbleached	m ²	8%
5112 90 20	Bleached	m ²	8%
5112 90 30	Dyed	m ²	8%
5112 90 40	Printed	m ²	8%
5112 90 90	Other	m ²	8%
5208	WOVEN FABRICS OF COTTON, CONTAINING 85% OR MORE BY WEIGHT OF COTTON, WEIGHING NOT MORE THAN 200 g/m²		
	<i>Unbleached:</i>		
5208 11	<i>Plain weave, weighing not more than 100 g/m² :</i>		
5208 11 10	Dhoti	m ²	8%
5208 11 20	Saree	m ²	8%
5208 11 30	Shirting fabrics	m ²	8%
5208 11 40	Casement	m ²	8%
5208 11 90	Other	m ²	8%
5208 12	<i>Plain weave, weighing more than 100 g/m² :</i>		
5208 12 10	Dhoti	m ²	8%
5208 12 20	Saree	m ²	8%
5208 12 30	Shirting fabrics	m ²	8%
5208 12 40	Casement	m ²	8%
5208 12 50	Sheeting (takia, leopard fabrics, other than furnishing fabrics)	m ²	8%
5208 12 60	Voils	m ²	8%
5208 12 90	Other	m ²	8%
5208 13	<i>3-thread or 4-thread twill, including cross twill :</i>		
5208 13 10	Shirting fabrics	m ²	8%
5208 13 20	Dobby fabrics	m ²	8%
5208 13 90	Other	m ²	8%
5208 19	<i>Other fabrics :</i>		
5208 19 10	Dedsuti, dosuti fabrics	m ²	8%
5208 19 90	Other	m ²	8%
	<i>Bleached :</i>		
5208 21	<i>Plain weave, weighing not more than 100 g/m² :</i>		
5208 21 10	Dhoti	m ²	8%
5208 21 20	Saree	m ²	8%
5208 21 30	Casement	m ²	8%
5208 21 40	Shirting fabrics	m ²	8%

Tariff Item	Description of goods	Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)
5208 21 50	Cambrics (including madapolam and jaconet)	m ²	8%
5208 21 60	Mulls (including limbric and willaya)	m ²	8%
5208 21 70	Muslin (including lawn, mulmul and organdi)	m ²	8%
5208 21 80	Voils (excluding leno fabrics)	m ²	8%
5208 21 90	Other	m ²	8%
5208 22	<i>Plain weave, weighing more than 100 g/m² :</i>		
5208 22 10	Dhoti	m ²	8%
5208 22 20	Saree	m ²	8%
5208 22 30	Shirting fabrics	m ²	8%
5208 22 40	Casement	m ²	8%
5208 22 50	Cambrics (including madapolam and jaconet)	m ²	8%
5208 22 60	Long cloth (including calico)	m ²	8%
5208 22 70	Sheeting (takia and the like)	m ²	8%
5208 22 80	Voils (excluding leno fabrics)	m ²	8%
5208 22 90	Other	m ²	8%
5208 23	<i>3-thread or 4-thread twill, including cross twill :</i>		
5208 23 10	Shirting fabrics	m ²	8%
5208 23 20	Parmatta fabrics (including ilesia, pocketing, Italian twill)	m ²	8%
5208 23 30	Shirting fabrics	m ²	8%
5208 23 90	Other	m ²	8%
5208 29	<i>Other fabrics :</i>		
5208 29 10	Dhoti and saree, zari bordered	m ²	8%
5208 29 20	Dedsuti, dosuti fabrics, ceretonnes and osamburge	m ²	8%
5208 29 90	Other	m ²	8%
	<i>Dyed :</i>		
5208 31	<i>Plain weave, weighing not more than 100 g/m² :</i>		
5208 31 10	Lungi	m ²	8%
5208 31 20	Saree	m ²	8%
5208 31 30	Shirting fabrics	m ²	8%
5208 31 40	Casement	m ²	8%
5208 31 50	Cambrics (including madapolam and jaconet)	m ²	8%
5208 31 60	Mull (including limbric and willaya)	m ²	8%
5208 31 70	Muslin (including lawn mulmul and organdi) of carded or combed yarn	m ²	8%
5208 31 80	Voils (excluding leno fabrics)	m ²	8%
5208 31 90	Other	m ²	8%
5208 32	<i>Plain weave, weighing more than 100 g/m² :</i>		
5208 32 10	Lungi	m ²	8%
5208 32 20	Saree	m ²	8%
5208 32 30	Shirting fabrics	m ²	8%
5208 32 40	Casement	m ²	8%
5208 32 50	Bed ticking, domestic	m ²	8%
5208 32 60	Cambrics (including madapolam and jaconet), longcloth (including calico) and voils (excluding leno fabrics)	m ²	8%
5208 32 70	Coating (including suiting)	m ²	8%
5208 32 80	Furnishing fabrics (excluding pile and chenille fabrics)	m ²	8%
5208 32 90	Other	m ²	8%
5208 33	<i>3-thread or 4-thread twill, including cross twill :</i>		
5208 33 10	Shirting fabrics	m ²	8%
5208 33 20	Coating (including suiting)	m ²	8%
5208 33 30	Shirting (including mazri)	m ²	8%
5208 33 90	Other	m ²	8%
5208 39	<i>Other fabrics :</i>		
5208 39 10	Zari bordered sarees	m ²	8%
5208 39 90	Other	m ²	8%

Tariff Item	Description of goods	Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)
<i>Of yarn of different colours :</i>			
<i>Plain weave, weighing not more than 100 g/m² :</i>			
5208 41	Bleeding Madras	m ²	8%
5208 41 10	Saree	m ²	8%
5208 41 20	Shirting fabrics	m ²	8%
5208 41 30	Bed ticking, domestic	m ²	8%
5208 41 40	Furnishing fabrics (excluding pile and chenille fabrics)	m ²	8%
5208 41 50	Other	m ²	8%
5208 41 90	<i>Plain weave, weighing more than 100 g/m² :</i>		
5208 42	Bleeding Madras	m ²	8%
5208 42 10	Saree	m ²	8%
5208 42 20	Shirting fabrics	m ²	8%
5208 42 30	Casement	m ²	8%
5208 42 40	Bed ticking, domestic	m ²	8%
5208 42 50	Furnishing fabrics, other than pile and chenille fabric	m ²	8%
5208 42 60	Other	m ²	8%
5208 42 90	<i>3-thread or 4-thread twill, including cross twill :</i>		
5208 43	Bleeding Madras	m ²	8%
5208 43 10	Shirting fabrics	m ²	8%
5208 43 20	Bed ticking, damask	m ²	8%
5208 43 30	Flannelette	m ²	8%
5208 43 40	Other	m ²	8%
5208 43 90	<i>Other fabrics :</i>		
5208 49	Zari bordered sarees	m ²	8%
5208 49 10	Real Madras handkerchiefs	m ²	8%
5208 49 20	Other	m ²	8%
5208 49 90	<i>Printed :</i>		
5208 51	Plain weave, weighing not more than 100 g/m ² :		
5208 51 10	Lungi	m ²	8%
5208 51 20	Saree	m ²	8%
5208 51 30	Shirting fabrics	m ²	8%
5208 51 40	Casement	m ²	8%
5208 51 50	Cambrics (including madapolam and jaconet)	m ²	8%
5208 51 60	Mull (including limbric and willaya)	m ²	8%
5208 51 70	Muslin (including lawn mulmul and organdi) of carded or combed yarn	m ²	8%
5208 51 80	Voils (excluding leno fabrics)	m ²	8%
5208 51 90	Other	m ²	8%
5208 52	Plain weave, weighing more than 100 g/m ² :		
5208 52 10	Lungi	m ²	8%
5208 52 20	Saree	m ²	8%
5208 52 30	Shirting fabrics	m ²	8%
5208 52 40	Casement	m ²	8%
5208 52 50	Cambrics (including madapolam and jaconet)	m ²	8%
5208 52 60	Mull (including limbric and willaya)	m ²	8%
5208 52 70	Muslin (including lawn mulmul and organdi) of carded or combed yarn	m ²	8%
5208 52 80	Voils (excluding leno fabrics)	m ²	8%
5208 52 90	Other	m ²	8%
5208 53	<i>3-thread or 4-thread twill, including cross twill :</i>		
5208 53 10	Shirting fabrics	m ²	8%
5208 53 20	Bed ticking	m ²	8%
5208 53 90	Other	m ²	8%
5208 59	<i>Other fabrics :</i>		
5208 59 10	Zari bordered sarees	m ²	8%
5208 59 90	Other	m ²	8%

Tariff Item	Description of goods	Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)
5209			
WOVEN FABRICS OF COTTON, CONTAINING 85% OR MORE BY WEIGHT OF COTTON, WEIGHING MORE THAN 200 g/m²			
<i>Unbleached :</i>			
5209 11	<i>Plain weave :</i>		
	<i>Handloom :</i>		
5209 11 11	Dhoti	m ²	8%
5209 11 12	Saree	m ²	8%
5209 11 13	Casement	m ²	8%
5209 11 14	Sheeting (takia, leopard cloth and other than furnishing)	m ²	8%
5209 11 19	Other	m ²	8%
5209 11 90	Other	m ²	8%
5209 12	<i>3-thread or 4-thread twill, including cross twill:</i>		
5209 12 10	Saree	m ²	8%
5209 12 20	Shirting fabrics	m ²	8%
5209 12 30	Furnishing fabrics (excluding pile and chenille fabrics)	m ²	8%
5209 12 40	Seersucker	m ²	8%
5209 12 50	Canvas, including duck—carded or combed yarn	m ²	8%
5209 12 60	Flannelette	m ²	8%
5209 12 70	Sheeting (takia, leopard cloth)	m ²	8%
5209 12 90	Other	m ²	8%
5209 19 00	Other fabrics	m ²	8%
<i>Bleached :</i>			
5209 21	<i>Plain weave :</i>		
5209 21 10	Saree	m ²	8%
5209 21 20	Shirting fabrics	m ²	8%
5209 21 30	Furnishing fabrics (excluding pile and chenille fabrics)	m ²	8%
5209 21 40	Seersucker	m ²	8%
5209 21 50	Canvas (including duck) of carded or combed yarn	m ²	8%
5209 21 60	Dhoti	m ²	8%
5209 21 70	Flannelette	m ²	8%
5209 21 80	Sheeting (takia, leopard cloth)	m ²	8%
5209 21 90	Other	m ²	8%
5209 22	<i>3-thread or 4-thread twill, including cross twill :</i>		
5209 22 10	Shirting fabrics	m ²	8%
5209 22 20	Furnishing fabrics (excluding pile and chenille fabrics)	m ²	8%
5209 22 30	Drill	m ²	8%
5209 22 90	Other	m ²	8%
5209 29	<i>Other fabrics :</i>		
5209 29 10	Dhoti and saree, zari bordered	m ²	8%
5209 29 20	Dedsuti, dosuti fabrics, ceretonnes and osamburge	m ²	8%
5209 29 90	Other	m ²	8%
<i>Dyed :</i>			
5209 31	<i>Plain weave :</i>		
5209 31 10	Lungi	m ²	8%
5209 31 20	Saree	m ²	8%
5209 31 30	Shirting fabrics	m ²	8%
5209 31 40	Furnishing fabrics (excluding pile and chenille fabrics)	m ²	8%
5209 31 50	Seersucker	m ²	8%
5209 31 60	Bed ticking, domestic (other than hand dyed)	m ²	8%
5209 31 70	Canvas (including duck), of carded or combed yarn	m ²	8%
5209 31 80	Flannelette	m ²	8%
5209 31 90	Other	m ²	8%
5209 32	<i>3-thread or 4-thread twill, including cross twill :</i>		
5209 32 10	Shirting fabrics	m ²	8%
5209 32 20	Furnishing fabrics (excluding pile and chenille fabrics)	m ²	8%

Tariff Item	Description of goods	Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)
5209 32 30	Drill	m ²	8%
5209 32 90	Other	m ²	8%
5209 39	<i>Other fabrics :</i>		
5209 39 10	Zari bordered sarees	m ²	8%
5209 39 90	Other	m ²	8%
	<i>Of yarns of different colours :</i>		
5209 41	<i>Plain weave :</i>		
5209 41 10	Bleeding Madras	m ²	8%
5209 41 20	Saree	m ²	8%
5209 41 30	Shirting fabrics	m ²	8%
5209 41 40	Furnishing fabrics (excluding pile and chenille fabrics)	m ²	8%
5209 41 50	Seersucker	m ²	8%
5209 41 60	Bed ticking, domestic (other than hand dyed)	m ²	8%
5209 41 70	Flannelette	m ²	8%
5209 41 90	Other	m ²	8%
5209 42 00	Denim	m ²	8%
5209 43	<i>Other fabrics of 3-thread or 4-thread twill, including cross twill :</i>		
5209 43 10	Bleeding Madras	m ²	8%
5209 43 20	Shirting fabrics	m ²	8%
5209 43 30	Furnishing fabrics (excluding pile and chenille fabrics)	m ²	8%
5209 43 40	Coating (including suiting)	m ²	8%
5209 43 90	Other	m ²	8%
5209 49	<i>Other fabrics :</i>		
5209 49 10	Zari bordered saree	m ²	8%
5209 49 90	Other	m ²	8%
	<i>Printed :</i>		
5209 51	<i>Plain weave :</i>		
5209 51 10	Lungi	m ²	8%
5209 51 20	Saree	m ²	8%
5209 51 30	Shirting fabrics	m ²	8%
5209 51 40	Furnishing fabrics (excluding pile and chenille fabrics)	m ²	8%
5209 51 50	Seersucker	m ²	8%
5209 51 60	Bed ticking, domestic	m ²	8%
5209 51 70	Flannelette	m ²	8%
5209 51 90	Other	m ²	8%
5209 52	<i>3-thread or 4-thread twill, including cross twill :</i>		
5209 52 10	Shirting fabrics	m ²	8%
5209 52 20	Furnishing fabrics (excluding pile and chenille fabrics)	m ²	8%
5209 52 90	Other	m ²	8%
5209 59	<i>Other fabrics :</i>		
5209 59 10	Zari bordered saree	m ²	8%
5209 59 90	Other	m ²	8%
5210	WOVEN FABRICS OF COTTON, CONTAINING LESS THAN 85% BY WEIGHT OF COTTON, MIXED MAINLY OR SOLELY WITH MAN-MADE FIBRES, WEIGHING NOT MORE THAN 200 g/m ² .		
	<i>Unbleached :</i>		
5210 11	<i>Plain weave :</i>		
5210 11 10	Shirting fabrics	m ²	8%
5210 11 20	Saree	m ²	8%
5210 11 90	Other	m ²	8%
5210 12	<i>3-thread or 4-thread twill, including cross twill :</i>		
5210 12 10	Shirting fabrics	m ²	8%
5210 12 90	Other	m ²	8%
5210 19 00	Other fabrics	m ²	8%
	<i>Bleached :</i>		

Tariff Item	Description of goods	Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)
521021	-- Plain weave :		
52102110	-- Shirting fabrics	m ²	8%
52102120	-- Poplin and broad fabrics	m ²	8%
52102130	-- Saree	m ²	8%
52102140	-- Shirting (including mazri)	m ²	8%
52102150	-- Voile	m ²	8%
52102190	-- Other	m ²	8%
521022	-- 3-thread or 4-thread twill, including cross twill : Handloom :		
52102211	-- Crepe fabrics including crepe checks	m ²	8%
52102212	-- Shirting fabrics	m ²	8%
52102219	-- Other fabrics	m ²	8%
	-- Other :		
52102221	-- Shirting (including mazri)	m ²	8%
52102229	-- Other	m ²	8%
521029	-- Other fabrics :		
52102910	-- Dhoti and saree, zari bordered	m ²	8%
52102920	-- Dedsuti, Dosuti, ceretonnes and osamburge	m ²	8%
52102990	-- Other	m ²	8%
	Dyed :		
521031	-- Plain weave :		
52103110	-- Shirting fabrics	m ²	8%
52103120	-- Coating (including suitings)	m ²	8%
52103130	-- Furnishing fabrics (excluding pile and chenille fabrics)	m ²	8%
52103140	-- Poplin and broad fabrics	m ²	8%
52103150	-- Saree	m ²	8%
52103160	-- Voils	m ²	8%
52103190	-- Other	m ²	8%
521032	-- 3-thread or 4-thread twill, including cross twill :		
52103210	-- Crepe fabrics including crepe checks	m ²	8%
52103220	-- Shirting fabrics	m ²	8%
52103230	-- Bed ticking, damask	m ²	8%
52103239	-- Other	m ²	8%
521039	-- Other fabrics :		
52103910	-- Zari bordered saree	m ²	8%
52103990	-- Other	m ²	8%
	Of yarns of different colours :		
521041	-- Plain weave :		
52104110	-- Bleeding Madras	m ²	8%
52104120	-- Crepe fabrics (excluding crepe checks)	m ²	8%
52104130	-- Shirting fabrics	m ²	8%
52104140	-- Suitings	m ²	8%
52104150	-- Poplin and broad fabrics	m ²	8%
52104160	-- Saree	m ²	8%
52104170	-- Voils	m ²	8%
52104190	-- Other	m ²	8%
521042	-- 3-thread or 4-thread twill, including cross twill :		
52104210	-- Bleeding Madras	m ²	8%
52104220	-- Crepe fabrics including crepe checks	m ²	8%
52104230	-- Shirting fabrics	m ²	8%
52104240	-- Suitings	m ²	8%
52104250	-- Bed ticking, damask	m ²	8%
52104260	-- Shirtings (including mazri)	m ²	8%
52104290	-- Other	m ²	8%
521049	-- Other fabrics :		

Tariff Item	Description of goods	Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)
5210 49 10	Zari bordered saree	m ²	8%
5210 49 90	Other	m ²	8%
	<i>Printed :</i>		
5210 51	<i>Plain weave :</i>		
5210 51 10	Shirting fabrics	m ²	8%
5210 51 20	Casement	m ²	8%
5210 51 30	Saree	m ²	8%
5210 51 40	Poplin and broad fabrics	m ²	8%
5210 51 50	Voils	m ²	8%
5210 51 90	Other	m ²	8%
5210 52	<i>3-thread or 4-thread twill, including cross twill :</i>		
5210 52 10	Crepe fabrics including crepe checks	m ²	8%
5210 52 20	Shirting fabrics	m ²	8%
5210 52 90	Other	m ²	8%
5210 59	<i>Other fabrics :</i>		
5210 59 10	Zari bordered saree	m ²	8%
5210 59 90	Other	m ²	8%
5211	WOVEN FABRICS OF COTTON, CONTAINING LESS THAN 85% BY WEIGHT OF COTTON, MIXED MAINLY OR SOLELY WITH MAN-MADE FIBRES, WEIGHING MORE THAN 200 g/m²		
	<i>Unbleached :</i>		
5211 11	<i>Plain weave :</i>		
5211 11 10	Shirting fabrics	m ²	8%
5211 11 20	Saree	m ²	8%
5211 11 90	Other	m ²	8%
5211 12	<i>3-thread or 4-thread twill, including cross twill :</i>		
5211 12 10	Shirting fabrics	m ²	8%
5211 12 20	Twill, not elsewhere specified (including gaberdine)	m ²	8%
5211 12 30	Damask	m ²	8%
5211 12 90	Other	m ²	8%
5211 19 00	Other fabrics	m ²	8%
	<i>Bleached :</i>		
5211 21	<i>Plain weave :</i>		
5211 21 10	Shirting fabrics	m ²	8%
5211 21 20	Canvas (including duck) of carded or combed yarn	m ²	8%
5211 21 30	Flannelette	m ²	8%
5211 21 40	Saree	m ²	8%
5211 21 50	Shirting fabrics	m ²	8%
5211 21 90	Other	m ²	8%
5211 22	<i>3-thread or 4-thread twill, including cross twill :</i>		
5211 22 10	Crepe fabrics including crepe checks	m ²	8%
5211 22 20	Shirting fabrics	m ²	8%
5211 22 30	Twill fabrics	m ²	8%
5211 22 90	Other	m ²	8%
5211 29	<i>Other fabrics :</i>		
5211 29 10	Zari bordered saree	m ²	8%
5211 29 20	Dedsuti, dosuti, ceretonnes and osamburge	m ²	8%
5211 29 90	Other	m ²	8%
	<i>Dyed :</i>		
5211 31	<i>Plain weave :</i>		
5211 31 10	Shirting fabrics	m ²	8%
5211 31 20	Canvas (including duck) of carded or combed yarn	m ²	8%
5211 31 30	Coating (including suitings)	m ²	8%
5211 31 40	Flannelette	m ²	8%

Tariff Item	Description of goods		Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)	
5211 31 50	---	Saree	m ²	8%
5211 31 90	---	Other	m ²	8%
5211 32	---	<i>3-thread or 4-thread twill, including cross twill :</i>		
5211 32 10	---	Crepe fabrics including crepe checks	m ²	8%
5211 32 20	---	Shirting fabrics	m ²	8%
5211 32 30	---	Twill, not elsewhere specified (including gaberdine)	m ²	8%
5211 32 40	---	Trousers or pant fabrics (excluding jeans and crepe)	m ²	8%
5211 32 90	---	Other	m ²	8%
5211 39	---	<i>Other fabrics :</i>		
5211 39 10	---	Zari bordered sarees	m ²	8%
5211 39 90	---	Other <i>Of yarns of different colours :</i>	m ²	8%
5211 41	---	<i>Plain weave :</i>		
5211 41 10	---	Bleeding Madras	m ²	8%
5211 41 20	---	Check shirting (excluding crepe checks)	m ²	8%
5211 41 30	---	Shirting	m ²	8%
5211 41 40	---	Suitings	m ²	8%
5211 41 50	---	Flannelette	m ²	8%
5211 41 60	---	Saree	m ²	8%
5211 41 70	---	Parachute fabrics	m ²	8%
5211 41 90	---	Other	m ²	8%
5211 42 00	---	Denim	m ²	8%
5211 43	---	<i>Other fabrics of 3-thread or 4-thread twill, including cross twill :</i>		
5211 43 10	---	Bleeding Madras	m ²	8%
5211 43 20	---	Crepe fabrics	m ²	8%
5211 43 30	---	Shirting fabrics	m ²	8%
5211 43 40	---	Suitings	m ²	8%
5211 43 90	---	Other	m ²	8%
5211 49	---	<i>Other fabrics :</i>		
5211 49 10	---	Zari bordered sarees	m ²	8%
5211 49 90	---	Other <i>Printed :</i>	m ²	8%
5211 51	---	<i>Plain weave :</i>		
5211 51 10	---	Shirting fabrics	m ²	8%
5211 51 20	---	Furnishing fabrics (excluding pile and chenille fabrics)	m ²	8%
5211 51 30	---	Flannelette	m ²	8%
5211 51 40	---	Long cloth (chintz)	m ²	8%
5211 51 50	---	Saree	m ²	8%
5211 51 90	---	Other	m ²	8%
5211 52	---	<i>3-thread or 4-thread twill, including cross twill :</i>		
5211 52 10	---	Crepe fabrics including crepe checks	m ²	8%
5211 52 20	---	Shirting fabrics	m ²	8%
5211 52 30	---	Twill, not elsewhere specified (including gaberdine)	m ²	8%
5211 52 90	---	Other	m ²	8%
5211 59	---	<i>Other fabrics :</i>		
5211 59 10	---	Zari bordered saree	m ²	8%
5211 59 90	---	Other	m ²	8%
5212	OTHER WOVEN FABRICS OF COTTON			
	<i>Weighing not more than 200 g/m² :</i>			
5212 11 00	---	Unbleached	m ²	8%

Tariff Item	Description of goods		Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)	
5212 12 00	-- Bleached	m ²	8%	
5212 13 00	-- Dyed	m ²	8%	
5212 14 00	-- Of yarns of different colours	m ²	8%	
5212 15 00	-- Printed	m ²	8%	
	— <i>Weighing more than 200 g/m² :</i>			
5212 21 00	-- Unbleached	m ²	8%	
5212 22 00	-- Bleached	m ²	8%	
5212 23 00	-- Dyed	m ²	8%	
5212 24 00	-- Of yarns of different colours	m ²	8%	
5212 25 00	-- Printed	m ²	8%	
5407	WOVEN FABRICS OF SYNTHETIC FILAMENT YARN, INCLUDING WOVEN FABRICS OBTAINED FROM MATERIALS OF HEADING 5404			
5407 10	<i>Woven fabrics obtained from high tenacity yarn of nylon or other polyamides or of polyesters :</i>			
	<i>Unbleached :</i>			
5407 10 11	-- Parachute fabrics	m ²	8%	
5407 10 12	-- Tent fabrics	m ²	8%	
5407 10 13	-- Nylon furnishing fabrics	m ²	8%	
5407 10 14	-- Umbrella cloth panel fabrics	m ²	8%	
5407 10 15	-- Other nylon and polyamide fabrics (filament)	m ²	8%	
5407 10 16	-- Polyester suitings	m ²	8%	
5407 10 19	-- Other polyester fabrics	m ²	8%	
	<i>Bleached :</i>			
5407 10 21	-- Parachute fabrics	m ²	8%	
5407 10 22	-- Tent fabrics	m ²	8%	
5407 10 23	-- Nylon furnishing fabrics	m ²	8%	
5407 10 24	-- Umbrella cloth panel fabrics	m ²	8%	
5407 10 25	-- Other nylon and polyamide fabrics of filament yarn	m ²	8%	
5407 10 26	-- Polyester suitings	m ²	8%	
5407 10 29	-- Other	m ²	8%	
	<i>Dyed :</i>			
5407 10 31	-- Parachute fabrics	m ²	8%	
5407 10 32	-- Tent fabrics	m ²	8%	
5407 10 33	-- Nylon furnishing fabrics	m ²	8%	
5407 10 34	-- Umbrella cloth panel fabrics	m ²	8%	
5407 10 35	-- Other nylon and polyamide fabrics (filament)	m ²	8%	
5407 10 36	-- Polyester suitings	m ²	8%	
5407 10 39	-- Other	m ²	8%	
	<i>Printed :</i>			
5407 10 41	-- Parachute fabrics	m ²	8%	
5407 10 42	-- Tent fabrics	m ²	8%	
5407 10 43	-- Nylon furnishing fabrics	m ²	8%	
5407 10 44	-- Umbrella cloth panel fabrics	m ²	8%	
5407 10 45	-- Other nylon and polyamide fabrics (filament)	m ²	8%	
5407 10 46	-- Polyester suitings	m ²	8%	
5407 10 49	-- Other	m ²	8%	
	<i>Other :</i>			
5407 10 91	-- Parachute fabrics	m ²	8%	
5407 10 92	-- Tent fabrics	m ²	8%	
5407 10 93	-- Nylon furnishing fabrics	m ²	8%	
5407 10 94	-- Umbrella cloth panel fabrics	m ²	8%	
5407 10 95	-- Other nylon and polyamide fabrics of filament yarn	m ²	8%	
5407 10 96	-- Polyester suitings	m ²	8%	
5407 10 99	-- Other	m ²	8%	

Tariff Item (1)	Description of goods (2)	Unit (3)	Rate of Additional Duty (4)
5407 20	<i>Woven fabrics obtained from strip or the like :</i>		
5407 20 10	Unbleached	m ²	8%
5407 20 20	Bleached	m ²	8%
5407 20 30	Dyed	m ²	8%
5407 20 40	Printed	m ²	8%
5407 20 90	Other	m ²	8%
5407 30	<i>Fabrics specified in Note 9 to Section XI :</i>		
5407 30 10	Unbleached	m ²	8%
5407 30 20	Bleached	m ²	8%
5407 30 30	Dyed	m ²	8%
5407 30 40	Printed	m ²	8%
5407 30 90	Other	m ²	8%
	<i>Other woven fabrics, containing 85% or more by weight of filaments of nylon or other polyamides :</i>		
5407 41	<i>Unbleached or bleached :</i>		
	<i>Unbleached :</i>		
5407 41 11	Nylon brasso	m ²	8%
5407 41 12	Nylon georgette	m ²	8%
5407 41 13	Nylon tafetta	m ²	8%
5407 41 14	Nylon sarees	m ²	8%
5407 41 19	Other	m ²	8%
	<i>Bleached :</i>		
5407 41 21	Nylon brasso	m ²	8%
5407 41 22	Nylon georgette	m ²	8%
5407 41 23	Nylon tafetta	m ²	8%
5407 41 24	Nylon sarees	m ²	8%
5407 41 29	Other	m ²	8%
5407 42	<i>Dyed :</i>		
5407 42 10	Nylon brasso	m ²	8%
5407 42 20	Nylon georgette	m ²	8%
5407 42 30	Nylon tafetta	m ²	8%
5407 42 40	Nylon sarees	m ²	8%
5407 42 90	Other	m ²	8%
5407 43 00	Of yarn of different colours	m ²	8%
5407 44	<i>Printed :</i>		
5407 44 10	Nylon brasso	m ²	8%
5407 44 20	Nylon georgette	m ²	8%
5407 44 30	Nylon tafetta	m ²	8%
5407 44 40	Nylon sarees	m ²	8%
5407 44 90	Other	m ²	8%
	<i>Other woven fabrics, containing 85% or more by weight of textured polyester filaments:</i>		
5407 51	<i>Unbleached or bleached :</i>		
	<i>Unbleached :</i>		
5407 51 11	Polyester shirtings	m ²	8%
5407 51 19	Other	m ²	8%
	<i>Bleached :</i>		
5407 51 21	Polyester shirtings	m ²	8%
5407 51 29	Other	m ²	8%
5407 52	<i>Dyed :</i>		
5407 52 10	Polyester shirtings	m ²	8%
5407 52 20	Polyester suitings	m ²	8%
5407 52 30	Terylene and dacron sarees	m ²	8%
5407 52 40	Polyester sarees	m ²	8%
5407 52 90	Other	m ²	8%

Tariff Item	Description of goods	Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)
5407 53 00	— Of yarns of different colours	m ²	8%
5407 54	— Printed :		
5407 54 10	— Terylene and dacron sarees	m ²	8%
5407 54 20	— Polyester shirtings	m ²	8%
5407 54 30	— Polyester sarees	m ²	8%
5407 54 90	— Other	m ²	8%
	— <i>Other woven fabrics, containing 85% or more by weight of polyester filaments :</i>		
5407 61	— <i>Containing 85% or more by weight of non-textured polyester filaments :</i>		
5407 61 10	— Polyester shirtings	m ²	8%
5407 61 20	— Polyester suitings	m ²	8%
5407 61 90	— Other	m ²	8%
5407 69 00	— Other	m ²	8%
	— <i>Other woven fabrics, containing 85% or more by weight of synthetic filaments :</i>		
5407 71	— <i>Unbleached or bleached :</i>		
5407 71 10	— Unbleached	m ²	8%
5407 71 20	— Bleached	m ²	8%
5407 72 00	— Dyed	m ²	8%
5407 73 00	— Of yarns of different colours	m ²	8%
5407 74 00	— Printed	m ²	8%
	— <i>Other woven fabrics, containing less than 85% by weight of synthetic filaments, mixed mainly or solely with cotton :</i>		
5407 81	— <i>Unbleached or bleached :</i>		
	— <i>Unbleached :</i>		
5407 81 11	— Nylon georgette	m ²	8%
5407 81 12	— Nylon sarees	m ²	8%
5407 81 13	— Polyester shirtings	m ²	8%
5407 81 14	— Polyester suitings	m ²	8%
5407 81 15	— Terylene and dacron sarees	m ²	8%
5407 81 16	— Polyester dhoti	m ²	8%
5407 81 19	— Other	m ²	8%
	— <i>Bleached :</i>		
5407 81 21	— Nylon georgette	m ²	8%
5407 81 22	— Nylon sarees	m ²	8%
5407 81 23	— Polyester shirtings	m ²	8%
5407 81 24	— Polyester suitings	m ²	8%
5407 81 25	— Terylene and dacron sarees	m ²	8%
5407 81 26	— Polyester dhoti	m ²	8%
5407 81 29	— Other	m ²	8%
5407 82	— <i>Dyed :</i>		
5407 82 10	— Nylon georgette	m ²	8%
5407 82 20	— Nylon sarees	m ²	8%
5407 82 30	— Polyester shirtings	m ²	8%
5407 82 40	— Polyester suitings	m ²	8%
5407 82 50	— Terylene and dacron sarees	m ²	8%
5407 82 60	— Lungies	m ²	8%
5407 82 90	— Other	m ²	8%
5407 83 00	— Of yarns of different colours	m ²	8%
5407 84	— <i>Printed :</i>		
5407 84 10	— Nylon georgette	m ²	8%
5407 84 20	— Nylon sarees	m ²	8%
5407 84 30	— Polyester shirtings	m ²	8%

Tariff Item		Description of goods	Unit	Rate of Additional Duty
(1)	(2)		(3)	(4)
5407 84 40	—	Polyester suitings	m ²	8%
5407 84 50	—	Terylene and dacron sarees	m ²	8%
5407 84 60	—	Lungies	m ²	8%
5407 84 70	—	Polyester sarees	m ²	8%
5407 84 90	—	Other	m ²	8%
	-	<i>Other woven fabrics :</i>		
5407 91	—	<i>Unbleached or bleached :</i>		
5407 91 10	—	Unbleached	m ²	8%
5407 91 20	—	Bleached	m ²	8%
5407 92 00	—	Dyed	m ²	8%
5407 93 00	—	Of yarns of different colours	m ²	8%
5407 94 00	—	Printed	m ²	8%
5408		WOVEN FABRICS OF ARTIFICIAL FILAMENT YARN, INCLUDING WOVEN FABRICS OBTAINED FROM MATERIALS OF HEADING 5405		
5408 10 00	-	Woven fabrics obtained from high tenacity yarn of viscose rayon	m ²	8%
	-	<i>Other woven fabrics, containing 85% or more by weight of artificial filament or strip or the like :</i>		
5408 21	-	<i>Unbleached or bleached :</i>		
5408 21 10	—	Unbleached	m ²	8%
5408 21 20	—	Bleached	m ²	8%
5408 22	—	<i>Dyed :</i>		
	-	<i>Fabrics of rayon :</i>		
5408 22 11	—	Rayon crepe fabrics	m ²	8%
5408 22 12	—	Rayon jacquards	m ²	8%
5408 22 13	—	Rayon brocades	m ²	8%
5408 22 14	—	Rayon georgette	m ²	8%
5408 22 15	—	Rayon tafetta	m ²	8%
5408 22 16	—	Rayon suitings	m ²	8%
5408 22 17	—	Rayon shirtings	m ²	8%
5408 22 18	—	Rayon sarees	m ²	8%
5408 22 19	—	Other	m ²	8%
5408 22 20	—	Fabrics of continuous filament, other than rayon	m ²	8%
5408 22 90	—	Other	m ²	8%
5408 23 00	-	Of yarns of different colours	m ²	8%
5408 24	-	<i>Printed :</i>		
	-	<i>Of rayon :</i>		
5408 24 11	—	Rayon crepe fabrics	m ²	8%
5408 24 12	—	Rayon jacquards	m ²	8%
5408 24 13	—	Rayon brocades	m ²	8%
5408 24 14	—	Rayon georgette	m ²	8%
5408 24 15	—	Rayon tafetta	m ²	8%
5408 24 16	—	Rayon suitings	m ²	8%
5408 24 17	—	Rayon shirtings	m ²	8%
5408 24 18	—	Rayon sarees	m ²	8%
5408 24 19	—	Other	m ²	8%
5408 24 90	—	Other	m ²	8%
	-	<i>Other woven fabrics :</i>		
5408 31	-	<i>Unbleached or bleached :</i>		
5408 31 10	—	Unbleached	m ²	8%
5408 31 20	—	Bleached	m ²	8%
5408 32	—	<i>Dyed :</i>		

Tariff Item	Description of goods	Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)
<i>Fabrics of rayon :</i>			
5408 32 11	Rayon brocades	m ²	8%
5408 32 12	Rayon georgette	m ²	8%
5408 32 13	Rayon tafetta	m ²	8%
5408 32 14	Rayon suitings	m ²	8%
5408 32 15	Rayon shirtings	m ²	8%
5408 32 19	Other	m ²	8%
5408 32 90	Other	m ²	8%
5408 33 00	Of yarns of different colours	m ²	8%
5408 34	<i>Printed :</i>		
<i>Fabric of rayon :</i>			
5408 34 11	Rayon crepe fabrics	m ²	8%
5408 34 12	Rayon jacquards	m ²	8%
5408 34 13	Rayon brocades	m ²	8%
5408 34 14	Rayon georgette	m ²	8%
5408 34 15	Rayon tafetta	m ²	8%
5408 34 16	Rayon suitings	m ²	8%
5408 34 17	Rayon shirtings	m ²	8%
5408 34 18	Rayon sarees	m ²	8%
5408 34 19	Other	m ²	8%
5408 34 20	Fabrics of continuous filament, other than rayon	m ²	8%
5408 34 90	Other	m ²	8%
5512	WOVEN FABRICS OF SYNTHETIC STAPLE FIBRES, CONTAINING 85% OR MORE BY WEIGHT OF SYNTHETIC STAPLE FIBRES		
<i>Containing 85% or more by weight of polyester staple fibres :</i>			
<i>Unbleached or bleached :</i>			
5512 11	Unbleached	m ²	8%
5512 11 10	Bleached	m ²	8%
5512 11 20	<i>Other :</i>		
5512 19	Dyed	m ²	8%
5512 19 10	Printed	m ²	8%
5512 19 20	Other	m ²	8%
5512 19 90	<i>Containing 85% or more by weight of acrylic or modacrylic staple fibres :</i>		
<i>Unbleached or bleached :</i>			
5512 21	Unbleached	m ²	8%
5512 21 10	Bleached	m ²	8%
5512 21 20	<i>Other :</i>		
5512 29	Dyed	m ²	8%
5512 29 10	Printed	m ²	8%
5512 29 20	Other	m ²	8%
5512 29 90	<i>Other :</i>		
5512 91	<i>Unbleached or bleached :</i>		
5512 91 10	Unbleached	m ²	8%
5512 91 20	Bleached	m ²	8%
5512 99	<i>Other :</i>		
5512 99 10	Dyed	m ²	8%
5512 99 20	Printed	m ²	8%
5512 99 90	Other	m ²	8%
5513	WOVEN FABRICS OF SYNTHETIC STAPLE FIBRES, CONTAINING LESS THAN 85% BY WEIGHT OF SUCH FIBRES, MIXED MAINLY OR SOLELY WITH COTTON, OF A WEIGHT NOT EXCEEDING 170 g/m²		
<i>Unbleached or bleached :</i>			

Tariff Item	Description of goods	Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)
5513 11	<i>Of polyester staple fibres, plain weave :</i>		
5513 11 10	Unbleached	m ²	8%
5513 11 20	Bleached	m ²	8%
5513 12	<i>3-thread or 4-thread twill, including cross twill, of polyester staple fibres :</i>		
5513 12 10	Unbleached	m ²	8%
5513 12 20	Bleached	m ²	8%
5513 13	<i>Other woven fabrics of polyester staple fibres :</i>		
5513 13 10	Unbleached	m ²	8%
5513 13 20	Bleached	m ²	8%
5513 19	<i>Other woven fabrics :</i>		
5513 19 10	Unbleached	m ²	8%
5513 19 20	Bleached	m ²	8%
	<i>Dyed :</i>		
5513 21 00	Of polyester staple fibres, plain weave	m ²	8%
5513 22 00	3-thread or 4-thread twill, including cross twill, of polyester staple fibres	m ²	8%
5513 23 00	Other woven fabrics of polyester staple fibres	m ²	8%
5513 29 00	Other woven fabrics	m ²	8%
	<i>Of yarns of different colours :</i>		
5513 31 00	Of polyester staple fibres, plain weave	m ²	8%
5513 32 00	3-thread or 4-thread twill, including cross twill, of polyester staple fibres	m ²	8%
5513 33 00	Other woven fabrics of polyester staple fibres	m ²	8%
5513 39 00	Other woven fabrics	m ²	8%
	<i>Printed :</i>		
5513 41 00	Of polyester staple fibres, plain weave	m ²	8%
5513 42 00	3-thread or 4-thread twill, including cross twill, of polyester staple fibres	m ²	8%
5513 43 00	Other woven fabrics of polyester staple fibres	m ²	8%
5513 49 00	Other woven fabrics	m ²	8%
5514	WOVEN FABRICS OF SYNTHETIC STAPLE FIBRES, CONTAINING LESS THAN 85% BY WEIGHT OF SUCH FIBRES, MIXED MAINLY OR SOLELY WITH COTTON, OF A WEIGHT EXCEEDING 170 g/m ²		
	<i>Unbleached or bleached :</i>		
5514 11	<i>Of polyester staple fibres, plain weave :</i>		
5514 11 10	Unbleached	m ²	8%
5514 11 20	Bleached	m ²	8%
5514 12	<i>3-thread or 4-thread twill, including cross twill, of polyester staple fibres :</i>		
5514 12 10	Unbleached	m ²	8%
5514 12 20	Bleached	m ²	8%
5514 13	<i>Other woven fabrics of polyester staple fibres :</i>		
5514 13 10	Unbleached	m ²	8%
5514 13 20	Bleached	m ²	8%
5514 19	<i>Other :</i>		
5514 19 10	Unbleached	m ²	8%
5514 19 20	Bleached	m ²	8%
	<i>Dyed :</i>		
5514 21 00	Of polyester staple fibres, plain weave	m ²	8%
5514 22 00	3-thread or 4-thread twill, including cross twill, of polyester staple fibres	m ²	8%
5514 23 00	Other woven fabrics of polyester staple fibres	m ²	8%

Tariff Item	Description of goods	Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)
5514 29 00	Other woven fabrics <i>Of yarns of different colours :</i>	m ²	8%
5514 31 00	Of polyester staple fibres, plain weave	m ²	8%
5514 32 00	3-thread or 4-thread twill, including cross twill, of polyester staple fibres	m ²	8%
5514 33 00	Other woven fabrics of polyester staple fibres	m ²	8%
5514 39 00	Other woven fabrics <i>Printed :</i>	m ²	8%
5514 41 00	Of polyester staple fibres, plain weave	m ²	8%
5514 42 00	3-thread or 4-thread twill, including cross twill, of polyester staple fibres	m ²	8%
5514 43 00	Other woven fabrics of polyester staple fibres	m ²	8%
5514 49 00	Other woven fabrics	m ²	8%
5515	OTHER WOVEN FABRICS OF SYNTHETIC STAPLE FIBRES		
	<i>Of polyester staple fibres :</i>		
5515 11	<i>Mixed mainly or solely with viscose rayon staple fibres :</i>		
5515 11 10	Unbleached	m ²	8%
5515 11 20	Bleached	m ²	8%
5515 11 30	Dyed	m ²	8%
5515 11 40	Printed	m ²	8%
5515 11 90	Other	m ²	8%
5515 12	<i>Mixed mainly or solely with man-made filaments :</i>		
5515 12 10	Unbleached	m ²	8%
5515 12 20	Bleached	m ²	8%
5515 12 30	Dyed	m ²	8%
5515 12 40	Printed	m ²	8%
5515 12 90	Other	m ²	8%
5515 13	<i>Mixed mainly or solely with wool or fine animal hair :</i>		
5515 13 10	Unbleached	m ²	8%
5515 13 20	Bleached	m ²	8%
5515 13 30	Dyed	m ²	8%
5515 13 40	Printed	m ²	8%
5515 13 90	Other	m ²	8%
5515 19	<i>Other :</i>		
5515 19 10	Unbleached	m ²	8%
5515 19 20	Bleached	m ²	8%
5515 19 30	Dyed	m ²	8%
5515 19 40	Printed	m ²	8%
5515 19 90	Other	m ²	8%
	<i>Of acrylic or modacrylic staple fibres :</i>		
5515 21	<i>Mixed mainly or solely with man-made filaments :</i>		
5515 21 10	Unbleached	m ²	8%
5515 21 20	Bleached	m ²	8%
5515 21 30	Dyed	m ²	8%
5515 21 40	Printed	m ²	8%
5515 21 90	Other	m ²	8%
5515 22	<i>Mixed mainly or solely with wool or fine animal hair :</i>		
5515 22 10	Unbleached	m ²	8%
5515 22 20	Bleached	m ²	8%
5515 22 30	Dyed	m ²	8%
5515 22 40	Printed	m ²	8%
5515 22 90	Other	m ²	8%
5515 29	<i>Other :</i>		
5515 29 10	Unbleached	m ²	8%

Tariff Item	Description of goods	Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)
5515 29 20	Bleached	m ²	8%
5515 29 30	Dyed	m ²	8%
5515 29 40	Printed	m ²	8%
5515 29 90	Other	m ²	8%
	<i>Other woven fabrics :</i>		
5515 91	<i>Mixed mainly or solely with man-made filaments :</i>		
5515 91 10	Unbleached	m ²	8%
5515 91 20	Bleached	m ²	8%
5515 91 30	Dyed	m ²	8%
5515 91 40	Printed	m ²	8%
5515 91 90	Other	m ²	8%
5515 92	<i>Mixed mainly or solely with wool or fine animal hair :</i>		
5515 92 10	Unbleached	m ²	8%
5515 92 20	Bleached	m ²	8%
5515 92 30	Dyed	m ²	8%
5515 92 40	Printed	m ²	8%
5515 92 90	Other	m ²	8%
5515 99	<i>Other :</i>		
5515 99 10	Unbleached	m ²	8%
5515 99 20	Bleached	m ²	8%
5515 99 30	Dyed	m ²	8%
5515 99 40	Printed	m ²	8%
5515 99 90	Other	m ²	8%
5516	WOVEN FABRICS OF ARTIFICIAL STAPLE FIBRES		
	<i>Containing 85% or more by weight of artificial staple fibres :</i>		
5516 11	<i>Unbleached or bleached :</i>		
5516 11 10	Unbleached	m ²	8%
5516 11 20	Bleached	m ²	8%
5516 12 00	Dyed	m ²	8%
5516 13 00	Of yarns of different colours	m ²	8%
5516 14	<i>Printed :</i>		
5516 14 10	Spun rayon printed shantung	m ²	8%
5516 14 20	Spun rayon printed linen	m ²	8%
5516 14 90	Other	m ²	8%
	<i>Containing less than 85% by weight of artificial staple fibres, mixed mainly or solely with man-made filaments :</i>		
5516 21	<i>Unbleached or bleached :</i>		
5516 21 10	Unbleached	m ²	8%
5516 21 20	Bleached	m ²	8%
5516 22 00	Dyed	m ²	8%
5516 23 00	Of yarns of different colours	m ²	8%
5516 24 00	Printed	m ²	8%
	<i>Containing less than 85% by weight of artificial staple fibres, mixed mainly or solely with wool or fine animal hair :</i>		
5516 31	<i>Unbleached or bleached :</i>		
5516 31 10	Unbleached	m ²	8%
5516 31 20	Bleached	m ²	8%
5516 32 00	Dyed	m ²	8%
5516 33 00	Of yarns of different colours	m ²	8%
5516 34 00	Printed	m ²	8%
	<i>Containing less than 85% by weight of artificial staple fibres, mixed mainly or solely with cotton:</i>		
5516 41	<i>Unbleached or bleached :</i>		
5516 41 10	Unbleached	m ²	8%

Tariff Item	Description of goods		Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)	
5516 41 20	— Bleached	m ²	8%	
5516 42 00	— Dyed	m ²	8%	
5516 43 00	— Of yarns of different colours	m ²	8%	
5516 44 00	— Printed	m ²	8%	
	— Other:			
5516 91	— <i>Unbleached or bleached:</i>			
5516 91 10	— Unbleached	m ²	8%	
5516 91 20	— Bleached	m ²	8%	
5516 92 00	— Dyed	m ²	8%	
5516 93 00	— Of yarns of different colours	m ²	8%	
5516 94 00	— Printed	m ²	8%	
5801	WOVEN PILE FABRICS AND CHENILLE FABRICS, OTHER THAN FABRICS OF HEADING 5802 OR 5806			
5801 10 00	— Of wool	m ²	5%	
	— <i>Of cotton:</i>			
5801 21 00	— Uncut weft pile fabrics	m ²	8%	
5801 22	— <i>Cut corduroy:</i>			
5801 22 10	— Solely of cotton			
5801 22 90	— Other	m ²	8%	
5801 23 00	— Other weft pile fabrics	m ²	8%	
5801 24 00	— Warp pile fabrics, 'épinglé' (uncut)	m ²	8%	
5801 25 00	— Warp pile fabrics, cut	m ²	8%	
5801 26 00	— Chenille fabrics	m ²	8%	
	— <i>Of man-made fibres:</i>			
5801 31 00	— Uncut weft pile fabrics	m ²	8%	
5801 32 00	— Cut corduroy	m ²	8%	
5801 33 00	— Other weft pile fabrics	m ²	8%	
5801 34	— <i>Warp pile fabrics, 'épinglé' (uncut):</i>			
5801 34 10	— Velvet	m ²	8%	
5801 34 90	— Other	m ²	8%	
5801 35 00	— Warp pile fabrics, cut	m ²	8%	
5801 36	— <i>Chenille fabrics:</i>			
5801 36 10	— Corduroys	m ²	8%	
5801 36 90	— Other	m ²	8%	
5802	TERRY TOWELLING AND SIMILAR WOVEN TERRY FABRICS, OTHER THAN NARROW FABRICS OF HEADING 5806; TUFTED TEXTILE FABRICS, OTHER THAN PRODUCTS OF HEADING 5703			
	<i>Terry towelling and similar woven terry fabrics, of cotton:</i>			
5802 11 00	— Unbleached	m ²	8%	
5802 19	— <i>Other:</i>			
5802 19 10	— Bleached	m ²	8%	
5802 19 20	— Piece dyed	m ²	8%	
5802 19 30	— Yarn dyed	m ²	8%	
5802 19 40	— Printed	m ²	8%	
5802 19 90	— Other	m ²	8%	
5802 30 00	— Tufted textile fabrics	m ²	8%	
5803	GAUZE, OTHER THAN NARROW FABRICS OF HEADING 5806			
	<i>Of cotton:</i>			
5803 10	— Unbleached	m ²	8%	
5803 10 10	— Bleached	m ²	8%	
5803 10 20	— Piece dyed	m ²	8%	

Tariff Item (1)	Description of goods (2)	Unit (3)	Rate of Additional Duty (4)
5803 10 40	— Yarn dyed	m ²	8%
5803 10 50	— Printed	m ²	8%
5803 10 90	— Other	m ²	8%
5803 90	- <i>Of other textile materials:</i>		
5803 90 10	— Of silk or silk waste	m ²	8%
5803 90 20	— Of synthetic fibre	m ²	8%
5803 90 30	— Of artificial fibre	m ²	8%
5803 90 90	— Other	m ²	8%
5804	LACE IN THE PIECE, IN STRIPS OR IN MOTIFS, OTHER THAN FABRICS OF HEADINGS 6002 TO 6006		
	<i>Mechanically made lace:</i>		
5804 21 00	- Of man-made fibres	kg.	8%
5804 29	- <i>Of other textile materials:</i>		
5804 29 10	— Of cotton	kg.	8%
5806	NARROW WOVEN FABRICS (OTHER THAN TULLES, OTHER NET FABRICS AND GOODS OF HEADINGS 5807, 5808, 5809 AND 5811)		
5806 10 00	- Woven pile fabrics (including terry towelling and similar terry fabrics) and chenille fabrics	kg.	Nil
5806 20 00	- Other woven fabrics, containing by weight 5% or more of elastomeric yarn or rubber thread	kg.	Nil
	<i>Other woven fabrics:</i>		
5806 31	- <i>Of cotton:</i>		
5806 31 10	— Typewriter ribbon cloth	kg.	Nil
5806 31 20	— Newar cotton	kg.	Nil
5806 31 90	— Other	kg.	Nil
5806 32 00	- Of man-made fibres	kg.	Nil
5806 39	- <i>Of other textile materials:</i>		
5806 39 10	— Goat hair puttis tape	kg.	Nil
5806 39 20	— Jute webbing	kg.	Nil
5806 39 30	— Other narrow fabrics of jute	kg.	Nil
5806 39 90	— Other	kg.	Nil
5810	EMBROIDERY IN THE PIECE, IN STRIPS OR IN MOTIFS (MANUFACTURED WITH THE AID OF VERTICAL TYPE AUTOMATIC SHUTTLE EMBROIDERY MACHINES OPERATED WITH POWER):		
5810 10 00	- Embroidery without visible ground	kg.	Nil
	<i>Other embroidery:</i>		
5810 91 00	- Of cotton	kg.	Nil
5810 92	- <i>Of man-made fibres:</i>		
5810 92 10	— Embroidered badges, motifs and the like	kg.	Nil
5810 92 90	— Other	kg.	Nil
5810 99 00	— <i>Of other textile materials</i>	kg.	Nil
5901	TEXTILE FABRICS COATED WITH GUM OR AMYLACEOUS SUBSTANCES, OF A KIND USED FOR THE OUTER COVERS OF BOOKS OR THE LIKE; TRACING CLOTH; PREPARED PAINTING CANVAS; BUCKRAM AND SIMILAR STIFFENED TEXTILE FABRICS		
5901 10	- <i>Textile fabrics coated with gum or amylaceous substances, of a kind used for the outer covers of books or the like:</i>		

Tariff Item	Description of goods	Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)
5901 10 10	— Of cotton	m ²	8%
5901 10 20	— Prepared painting canvas	m ²	8%
5901 10 90	— Other	m ²	8%
5901 90	- <i>Other:</i>		
5901 90 10	— Tracing cloth of cotton	m ²	8%
5901 90 20	— Varnished cambric fabrics (Empire fabrics) tapes	m ²	8%
5901 90 90	— Other	m ²	8%
5902	TYRE CORD FABRIC OF HIGH TENACITY YARN OF NYLON OR OTHER POLYAMIDES, POLYESTERS OR VISCOSE RAYON		
<i>Of nylon or other polyamides:</i>			
5902 10	- Impregnated with rubber	m ²	Rs.10 per Kg.
5902 10 10	— Other	m ²	Rs.10 per Kg.
5902 20	- <i>Of polyesters:</i>		
5902 20 10	— Impregnated with rubber	m ²	Rs.10 per Kg.
5902 20 90	— Other	m ²	Rs.10 per Kg.
5902 90	- <i>Other:</i>		
5902 30 10	— Impregnated with rubber	m ²	Rs.10 per Kg.
5902 30 90	— Other	m ²	Rs.10 per Kg.
5903	TEXTILE FABRICS, IMPREGNATED, COATED, COVERED OR LAMINATED WITH PLASTICS, OTHER THAN THOSE OF HEADING 5902		
<i>With polyvinyl chloride:</i>			
5903 10	- Imitation leather fabrics of cotton	m ²	5%
5903 10 10	— Other	m ²	5%
5903 20	- <i>With polyurethane:</i>		
5903 20 10	— Imitation leather fabrics, of cotton	m ²	5%
5903 20 90	— Other	m ²	5%
5903 90	- <i>Other:</i>		
5903 90 10	— Of cotton	m ²	5%
5903 90 20	— Polyethylene laminated jute fabrics	m ²	5%
5903 90 90	— Other	m ²	5%
5907	FABRICS COVERED PARTIALLY OR FULLY WITH TEXTILE FLOCKS, OR WITH PREPARATION CONTAINING TEXTILE FLOCKS:		
	Fabrics covered partially or fully with textile flocks, or with preparation containing textile flocks:		
5907 00 11	— On the base fabrics of cotton	m ²	5%
5907 00 12	— On the base fabrics of man-made textile	m ²	5%
6001	PILE FABRICS, INCLUDING "LONG PILE" FABRICS AND TERRY FABRICS, KNITTED OR CROCHETED		
<i>"Long pile" fabrics:</i>			
6001 10	- Of cotton	kg.	8%
6001 10 10	— Of man-made fibres	kg.	8%
6001 10 20	- <i>Looped pile fabrics:</i>		
6001 21 00	— Of cotton	kg.	8%
6001 22 00	— Of man-made fibres	kg.	8%
	<i>Other:</i>		
6001 91 00	— Of cotton	kg.	8%
6001 92 00	— Of man-made fibres	kg.	8%

Tariff Item	Description of goods	Unit	Rate of Additional Duty
(1)	(2)	(3)	(4)
6002	KNITTED OR CROCHETED FABRICS OF A WIDTH NOT EXCEEDING 30 CM, CONTAINING BY WEIGHT 5% OR MORE OF ELASTOMERIC YARN OR RUBBER THREAD, OTHER THAN THOSE OF HEADING 6001		
6002 40 00	- Containing by weight 5% or more of elastomeric yarn but not containing rubber thread	kg.	8%
6002 90 00	- Other	kg.	8%
6003	KNITTED OR CROCHETED FABRICS OF A WIDTH NOT EXCEEDING 30 CM, OTHER THAN THOSE OF HEADING 6001 OR 6002		
6003 10 00	- Of wool or fine animal hair	kg.	8%
6003 20 00	- Of cotton	kg.	8%
6003 30 00	- Of synthetic fibres	kg.	8%
6003 40 00	- Of artificial fibres	kg.	8%
6003 90 00	- Other	kg.	8%
6004	KNITTED OR CROCHETED FABRICS OF A WIDTH EXCEEDING 30 CM, CONTAINING BY WEIGHT 5% OR MORE OF ELASTOMERIC YARN OR RUBBER THREAD, OTHER THAN THOSE OF HEADING 6001		
6004 10 00	- Containing by weight 5% or more of elastomeric yarn but not containing rubber thread	kg.	8%
6004 90 00	- Other	kg.	8%
6005	WARP KNIT FABRICS (INCLUDING THOSE MADE ON GALLOON KNITTING MACHINES), OTHER THAN THOSE OF HEADING 6001 TO 6004		
	<i>Of cotton:</i>		
6005 21 00	-- Unbleached or bleached	kg.	8%
6005 22 00	-- Dyed	kg.	8%
6005 23 00	-- Of yarns of different colours	kg.	8%
6005 24 00	-- Printed	kg.	8%
	<i>Of synthetic fibres :</i>		
6005 31 00	-- Unbleached or bleached	kg.	8%
6005 32 00	-- Dyed	kg.	8%
6005 33 00	-- Of yarns of different colours	kg.	8%
6005 34 00	-- Printed	kg.	8%
	<i>Of artificial fibres :</i>		
6005 41 00	-- Unbleached or bleached	kg.	8%
6005 42 00	-- Dyed	kg.	8%
6005 43 00	-- Of yarns of different colours	kg.	8%
6005 44 00	-- Printed	kg.	8%
6006	OTHER KNITTED OR CROCHETED FABRICS		
	<i>Of cotton:</i>		
6006 21 00	-- Unbleached or bleached	kg.	8%
6006 22 00	-- Dyed	kg.	8%
6006 23 00	-- Of yarns of different colours	kg.	8%
6006 24 00	-- Printed	kg.	8%
	<i>Of synthetic fibres:</i>		
6006 31 00	-- Unbleached or bleached	kg.	8%
6006 32 00	-- Dyed	kg.	8%
6006 33 00	-- Of yarns of different colours	kg.	8%
6006 34 00	-- Printed	kg.	8%
	<i>Of artificial fibres :</i>		

Tariff Item (1)	Description of goods (2)	Unit (3)	Rate of Additional Duty (4)
6006 41 00	-- Unbleached or bleached	kg.	8%
6006 42 00	-- Dyed	kg.	8%
6006 43 00	-- Of yarns of different colours	kg.	8%
6006 44 00	-- Printed	kg.	8%

THE ELEVENTH SCHEDULE

(See section 118)

'THE SCHEDULE

(See section 3)

NOTES

1. In this Schedule, "heading", "sub-heading", "tariff item" and "Chapter" mean respectively a heading, sub-heading, tariff item and Chapter in the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986).

2. The rules for the interpretation of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986) and the Section and Chapter Notes and the General Explanatory Notes of the First Schedule shall apply for the purposes of classification of goods specified in this Schedule.

S. No.	Description of goods
(1)	(2)
1.	Silk, that is to say, all goods falling within Chapter 50.
2.	Wool, that is to say, all goods falling within Chapter 51, other than fabrics of headings 5111, 5112 and 5113.
3.	Cotton, that is to say, all goods falling within Chapter 52.
4.	Man-made filaments, that is to say, all goods falling within Chapter 54.
5.	Man-made staple fibres, that is to say, all goods falling within Chapter 55.
6.	Terry towelling and similar woven terry fabrics, falling within heading 5802.
7.	Tulle and other net fabrics, not including woven, knitted or crocheted fabrics lace in the piece, in strips or in motifs, other than fabrics of headings 6002, 6003, 6004, 6005 and 6006.
8.	Knitted or crocheted fabrics, that is to say, all goods falling within Chapter 60.
9.	Metallised yarn, falling within heading 5605.
10.	Embroidery in the piece, in strips or in motifs, falling within heading 5810.'

THE TWELFTH SCHEDULE

(See section 122)

'THE SEVENTH SCHEDULE

(See section 136)

NOTES

1. In this Schedule, "tariff item", "heading", "sub-heading" and "Chapter" mean respectively a tariff item, heading, sub-heading and Chapter in the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986).

2. The rules for the interpretation of the First Schedule to the Central Excise Tariff Act, 1985 (5 of 1986), the section and Chapter Notes and the General Explanatory Notes of the First Schedule shall apply to the interpretation of this Schedule.

Tariff item (1)	Description of goods (2)	Unit (3)	Rate of duty (4)
2106 90 20 --- Pan Masala		kg.	23%
2402 20 10 --- Other than filter cigarettes, of length not exceeding 60 millimetres		Tu	Rs. 20 per thousand
2402 20 20 --- Other than filter cigarettes, of length exceeding 60 millimetres but not exceeding 70 millimetres		Tu	Rs. 60 per thousand
2402 20 30 --- Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) not exceeding 70 millimetres		Tu	Rs. 90 per thousand
2402 20 40 --- Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) exceeding 70 millimetres but not exceeding 75 millimetres		Tu	Rs. 145 per thousand
2402 20 50 --- Filter cigarettes of length (including the length of the filter, the length of filter being 11 millimetres or its actual length, whichever is more) exceeding 75 millimetres but not exceeding 85 millimetres		Tu	Rs. 190 per thousand
2402 20 90 --- Other		Tu	Rs. 235 per thousand
2402 90 10 --- Cigarettes of tobacco substitutes		Tu	Rs. 150 per thousand
2403 10 10 --- Hookah or gudaku tobacco		kg.	10%
2403 10 20 --- Smoking mixtures for pipes and cigarettes		kg.	45%
2403 10 31 --- Other than paper rolled biris, manufactured without the aid of machine		Tu	Re. 1.00 per thousand
2403 10 39 --- Other		Tu	Rs. 2.00 per thousand
2403 10 90 --- Other		kg.	10%
2403 91 00 --- "Homogenised" or "reconstituted" tobacco		kg.	10%
2403 99 10 --- Chewing tobacco		kg.	10%
2403 99 20 --- Preparations containing chewing tobacco		kg.	10%
2403 99 30 --- Jarda scented tobacco		kg.	10%
2403 99 40 --- Snuff		kg.	10%
2403 99 50 --- Preparations containing snuff		kg.	10%
2403 99 60 --- Tobacco extracts and essence		kg.	10%
2403 99 90 --- Other		kg.	10%
2709 00 00 PETROLEUM OILS AND OILS OBTAINED FROM BITUMINOUS MINERALS, CRUDE		kg.	Rs. 50 per tonne

Tariff item	Description of goods	Unit	Rate of duty
(1)	(2)	(3)	(4)
5402 20	- <i>High tenacity yarn of polyesters :</i>		
5402 20 10	-- Of terylene dacron	kg.	1%
5402 20 90	-- Other	kg.	1%
5402 33 00	-- Of polyesters	kg.	1%
5402 42 00	-- Of polyesters, partially oriented	kg.	1%
5402 43 00	-- Of polyesters, other	kg.	1%
5402 52 00	-- Of polyesters	kg.	1%
5402 62 00	-- Of polyesters	kg.	1%
8702 10	- <i>With compression-ignition internal combustion piston engine (diesel or semi-diesel) :</i>		
	--- <i>Vehicles for transport of not more than 13 persons, including the driver :</i>		
8702 10 11	-- Integrated monocoque vehicle	u	1%
8702 10 12	-- Air-conditioned vehicle	u	1%
8702 10 19	-- Other	u	1%
8702 90	- <i>Other :</i>		
	--- <i>Vehicles for transport of not more than 13 persons, including the driver:</i>		
8702 90 11	-- Integrated monocoque vehicle	u	1%
8702 90 12	-- Air-conditioned vehicle	u	1%
8702 90 13	-- Electrically operated	u	1%
8702 90 19	-- Other	u	1%
8702 90 20	-- Electrically operated vehicles not elsewhere included or specified	u	1%
8703 10	- <i>Vehicles specially designed for travelling on snow; golf cars and similar vehicles :</i>		
8703 10 10	-- Electrically operated	u	1%
8703 10 90	-- Other	u	1%
	--- <i>Other vehicles, with spark-ignition internal combustion reciprocating piston engine :</i>		
8703 21	-- <i>Of a cylinder capacity not exceeding 1,000 cc :</i>		
8703 21 10	-- Vehicles principally designed for the transport of more than seven persons, including the driver	u	1%
8703 21 20	-- Three-wheeled vehicles	u	1%
	--- <i>Other :</i>		
8703 21 91	-- Motor cars	u	1%
8703 21 92	-- Specialised transport vehicles such as ambulances, prison vans and the like	u	1%
8703 21 99	-- Other	u	1%
8703 22	-- <i>Of a cylinder capacity exceeding 1,000 cc but not exceeding 1,500 cc:</i>		
8703 22 10	-- Vehicles principally designed for the transport of more than seven persons, including the driver	u	1%
8703 22 20	-- Specialised transport vehicles such as ambulances, prison vans and the like	u	1%
8703 22 30	-- Three-wheeled vehicles	u	1%
	--- <i>Other :</i>		
8703 22 91	-- Motor cars	u	1%
8703 22 99	-- Other	u	1%
8703 23	-- <i>Of a cylinder capacity exceeding 1,500 cc but not exceeding 3,000 cc :</i>		

Tariff item	Description of goods	Unit	Rate of duty
(1)	(2)	(3)	(4)
8703 23 10	— Vehicles principally designed for the transport of more than seven persons, including the driver	u	1%
8703 23 20	— Three-wheeled vehicles	u	1%
	— Other:		
8703 23 91	— Motor cars	u	1%
8703 23 92	— Specialised transport vehicles such as ambulances, prison vans and the like	u	1%
8703 23 99	— Other	u	1%
8703 24	— <i>Of a cylinder capacity exceeding 3,000 cc :</i>		
8703 24 10	— Vehicles principally designed for the transport of more than seven persons, including the driver		1%
8703 24 20	— Three-wheeled vehicles	u	1%
	— Other:		
8703 24 91	— Motor cars	u	1%
8703 24 92	— Specialised transport vehicles such as ambulances, prison vans and the like	u	1%
8703 24 99	— Other	u	1%
	— <i>Other vehicles, with compression-ignition internal combustion piston engine (diesel or semi-diesel) :</i>		
8703 31	— <i>Of a cylinder capacity not exceeding 1,500 cc :</i>		
8703 31 10	— Vehicles principally designed for the transport of more than seven persons, including the driver	u	1%
8703 31 20	— Three-wheeled vehicles	u	1%
	— Other:		
8703 31 91	— Motor cars	u	1%
8703 31 92	— Specialised transport vehicles such as ambulances, prison vans and the like	u	1%
8703 31 99	— Other	u	1%
8703 32	— <i>Of a cylinder capacity exceeding 1,500 cc but not exceeding 2,500 cc :</i>		
8703 32 10	— Vehicles principally designed for the transport of more than seven persons, including the driver		1%
8703 32 20	— Three-wheeled vehicles	u	1%
	— Other:		
8703 32 91	— Motor cars	u	1%
8703 32 92	— Specialised transport vehicles such as ambulances, prison vans and the like	u	1%
8703 32 99	— Other	u	1%
8703 33	— <i>Of a cylinder capacity exceeding 2,500 cc :</i>		
8703 33 10	— Vehicles principally designed for the transport of more than seven persons, including the driver	u	1%
8703 33 20	— Three-wheeled vehicles	u	1%
	— Other:		
8703 33 91	— Motor cars	u	1%
8703 33 92	— Specialised transport vehicles such as ambulances, prison vans and the like	u	1%
8703 33 99	— Other	u	1%
8703 90	— Other:		
8703 90 10	— Electrically operated	u	1%
8703 90 90	— Other	u	1%

Tariff item (1)	Description of goods (2)	Unit (3)	Rate of duty (4)
8704	MOTOR VEHICLES FOR THE TRANSPORT OF GOODS		
	- <i>Other, with spark-ignition internal combustion piston engine :</i>		
8704 31	- <i>g.v.w. not exceeding 5 tonnes :</i>		
8704 31 10	-- Refrigerated	u	1%
8704 31 90	-- Other	u	1%
8704 32	- <i>g.v.w. exceeding 5 tonnes :</i>		
	-- <i>Lorries and trucks:</i>		
8704 32 11	-- Refrigerated	u	1%
8704 32 19	-- Other	u	1%
8704 32 90	-- Other	u	1%
8704 90	- <i>Other :</i>		
	-- <i>Lorries and trucks :</i>		
8704 90 11	-- Refrigerated	u	1%
8704 90 12	-- Electrically operated	u	1%
8704 90 19	-- Other	u	1%
8704 90 90	-- Other	u	1%
	-- <i>For the vehicles of heading 8702 :</i>		
8706 00 21	-- For transport of not more than thirteen persons, including the driver	u	1%
	-- <i>For the motor vehicles of heading 8703 :</i>		
8706 00 31	-- For three-wheeled vehicles	u	1%
8706 00 39	-- Other	u	1%
	-- <i>For the vehicles of heading 8704 :</i>		
8706 00 43	-- For dumper covered in the heading 8704	u	1%
8706 00 49	-- Other	u	1%
8711 10	- <i>With reciprocating internal combustion piston engine of a cylinder capacity not exceeding 50 cc:</i>		
8711 10 10	-- Mopeds	u	1%
8711 10 20	-- Motorised cycles	u	1%
8711 10 90	-- Other	u	1%
8711 20	- <i>With reciprocating internal combustion piston engine of a cylinder capacity exceeding 50 cc but not exceeding 250 cc :</i>		
	-- <i>Scooters :</i>		
8711 20 11	-- Of cylinder capacity not exceeding 75 cc	u	1%
8711 20 19	-- Other	u	1%
	-- <i>Motor cycles :</i>		
8711 20 21	-- Of cylinder capacity not exceeding 75 cc	u	1%
8711 20 29	-- Other	u	1%
	-- <i>Mopeds :</i>		
8711 20 31	-- Of cylinder capacity not exceeding 75 cc	u	1%
8711 20 39	-- Other	u	1%
	-- <i>Other :</i>		
8711 20 91	-- Of cylinder capacity not exceeding 75 cc	u	1%

Tariff item (1)	Description of goods (2)	Unit (3)	Rate of duty (4)
8711 20 99	--- Other	u	1%
8711 30	- <i>With reciprocating internal combustion piston engine of cylinder capacity exceeding 250 cc but not exceeding 500 cc :</i>		
8711 30 10	--- Scooters	u	1%
8711 30 20	--- Motor-cycles	u	1%
8711 30 90	--- Other	u	1%
8711 40	- <i>With reciprocating internal combustion piston engine of a cylinder capacity exceeding 500 cc but not exceeding 800 cc :</i>		
8711 40 10	--- Motor-cycles	u	1%
8711 40 90	--- Other	u	1%
8711 50 00	- <i>With reciprocating internal combustion piston engine of a cylinder capacity exceeding 800 cc</i>	u	1%.

STATEMENT OF OBJECTS AND REASONS

The object of the Bill is to give effect to the financial proposals of the Central Government for the financial year 2005-2006. The notes on clauses explain the various provisions contained in the Bill.

NEW DELHI;

The 28th February, 2005.

P. CHIDAMBARAM.

PRESIDENT'S RECOMMENDATION UNDER ARTICLES 117 AND 274 OF THE CONSTITUTION OF INDIA

[Copy of letter No. F. 2(5)-B(D)/2005, dated the 28th February, 2005 from Shri P. Chidambaram, Minister of Finance, to the Secretary-General, Lok Sabha.]

The President, having been informed of the subject matter of the proposed Bill, recommends under clause (1) of article 117, read with clause (1) of article 274, of the Constitution of India, the introduction of the Finance Bill, 2005 to the Lok Sabha and also recommends to the Lok Sabha the consideration of the Bill.

2. The Bill will be introduced in the Lok Sabha immediately after the presentation of the Budget on the 28th February, 2005.

Notes on clauses

Income-tax

Clause 2, read with the First Schedule to the Bill, seeks to specify the rates at which income-tax is to be levied on income chargeable to tax for the assessment year 2005-2006. Further, it lays down the rates at which tax is to be deducted at source during the financial year 2005-2006 from income subject to such deduction under the Income-tax Act; and the rates at which "advance tax" is to be paid, tax is to be deducted at source from or paid on income chargeable under the head "Salaries" and tax is to be calculated and charged in special cases for the financial year 2005-2006.

Rates of income-tax for the assessment year 2005-2006

Part I of the First Schedule to the Bill specifies the rates at which income is liable to tax for the assessment year 2005-2006. These rates are the same as those specified in Part III of the First Schedule to the Finance (No. 2) Act, 2004, for the purposes of deduction of tax at source from "Salaries", computation of "advance tax" and charging of income-tax in special cases during the financial year 2004-2005.

Rates for deduction of tax at source during financial year 2005-2006 from income other than "Salaries"

Part II of the First Schedule to the Bill specifies the rates at which income-tax is to be deducted at source during the financial year 2005-2006 from incomes other than "Salaries". In the case of a company other than a domestic company, the rate of deduction of tax at source during the financial year 2005-2006 from income by way of royalties and fees for technical services received from Government or an Indian concern in pursuance of an agreement made by it with the Government or an Indian concern after the 1st day of June, 2005, shall be reduced from twenty per cent. to ten per cent. In all other cases, the rates are the same as those specified in Part II of the First Schedule to the Finance (No.2) Act, 2004, for the purposes of deduction of income-tax at source during the financial year 2004-2005.

The amount of tax so deducted shall be increased by surcharge—

(i) in the case of every individual, Hindu undivided family, association of persons and body of individuals, whether incorporated or not, at the rate of ten per cent. of such tax where the income or the aggregate of such incomes paid or likely to be paid and subject to the deduction exceeds ten lakh rupees;

(ii) in the case of every firm, artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, and domestic company, at the rate of ten per cent. of such tax; or

(iii) in the case of every company other than domestic company, at the rate of two and one-half per cent. of such tax.

Rates for deduction of tax at source from "Salaries", computation of "advance tax" and charging of income-tax in special cases during the financial year 2005-2006

Part III of the First Schedule to the Bill specifies the rates at which income-tax is to be deducted at source from, or paid on, income under the head "Salaries" and also the rates at which "advance tax" is to be paid and income-tax is to be calculated or charged in special cases for the financial year 2005-2006.

Paragraph A of this Part specifies the rates of income-tax in the case of every individual or Hindu undivided family or every association of persons or body of individuals, whether incorporated or not, or every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, not being a case to which any other Paragraph of Part III applies. In such cases income-tax exemption limit has been raised to Rs.1,00,000. The new rates of income-tax on total income above Rs.1,00,000 will be as under:—

Rs.1,00,001 to Rs.1,50,000	10 per cent.
Rs.1,50,001 to Rs. 2,50,000	20 per cent.
Above Rs. 2,50,000	30 per cent.

In the case of every woman who is resident in India and is below the age of 65 years during the previous year, the exemption limit shall be raised to Rs. 1,25,000. The new rates of income-tax on total income above Rs.1,25,000 in such cases will be as under:—

Rs. 1,25,001 to Rs. 1,50,000	10 per cent.
Rs.1,50,001 to Rs. 2,50,000	20 per cent.
Above Rs. 2,50,000	30 per cent.

In the case of every individual who is resident in India and is of the age of 65 years or more at any time during the previous year, the exemption limit shall be raised to Rs.1,50,000. The new rates of income-tax on total income above Rs.1,50,000 in such cases will be as under:—

Rs.1,50,001 to Rs. 2,50,000	20 per cent.
Above Rs. 2,50,000	30 per cent.

Paragraph A further provides that the amount of income-tax computed shall in the case of every individual or Hindu undivided family or association of persons or body of individuals, whether incorporated or not, having a total income exceeding ten lakh rupees be reduced by the amount of rebate of income tax calculated under chapter VIII A, and the income-tax as so reduced, be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent. of such income-tax. However, the total amount payable as income-tax and surcharge on total income exceeding ten lakh rupees shall not exceed the total amount payable as income-tax on a total income of ten lakh rupees by more than the income that exceeds ten lakh rupees.

Paragraph A further provides that the amount of income-tax computed shall in the case of every artificial juridical person referred to in sub-clause (vii) of clause (31) of section 2 of the Income-tax Act, be reduced by the amount of rebate of income-tax calculated under Chapter VIII A, and the income-tax as so reduced, be increased by a surcharge for purposes of the Union calculated at the rate of ten per cent.

Paragraph B of this Part specifies the rates of income-tax in the case of every co-operative society. In such cases, the rates of tax will continue to be the same as those specified for assessment year 2005-2006. However, no surcharge will be levied.

Paragraph C of this Part specifies the rate of income-tax in the case of every firm. In such cases, the rate of tax will be reduced from 35 per cent. to 30 per cent. The rate of surcharge for the purposes of the Union shall be increased to ten per cent.

Paragraph D of this Part specifies the rate of income-tax in the case of every local authority. In such cases, the rate of tax will continue to be the same as that specified for the assessment year 2005-2006. However, no surcharge will be levied.

Paragraph E of this Part specifies the rates of income-tax in the case of companies. In the case of domestic companies the rate of tax will be reduced from 35 per cent. to 30 per cent. In the case of companies other than domestic companies, the rate of tax will continue to be the same as that specified for the assessment year 2005-2006. The amount of income-tax as so computed shall in the case of every domestic company be increased by a surcharge for the purposes of the Union calculated at the rate of ten per cent. of such income-tax and in the case of every company other than a domestic company shall be increased by a surcharge at the rate of two and one-half per cent of such tax.

It is also proposed that the additional surcharge, called the "Education Cess on income-tax" for the purposes of the Union shall continue to be levied at the rate of two per cent. of income-tax and surcharge.

Clause 3 seeks to amend section 2 of the Income-tax Act relating to definitions.

Clause (7) of the said section defines the term "assessee" to include, *inter alia*, every person in respect of whom any proceeding under the Act has been taken for the assessment of his income or of the income of any other person in respect of which he is assessable.

It is proposed to amend the said clause (7) so as to provide that the term "assessee" shall also include every person, being an employer in respect of whom any proceeding under the Act has been taken for the assessment of the fringe benefits in respect of which he is assessable.

It is further proposed to insert a new clause (23B) in the aforesaid section so as to provide that "fringe benefits" means the benefits as referred to in section 115WB.

The existing provisions contained in the proviso to clause (42A) of the said section provides that if a share in a company or any other securities listed in a recognised stock exchange in India or unit of the Unit Trust of India or unit of a Mutual Fund specified under clause (23D) of section 10, is held for not more than twelve months, it shall be in the nature of short-term capital asset. It is proposed to amend the said proviso so as to treat zero coupon bond held not for more than twelve months as a short-term capital asset.

Clause (43) of section 2 defines the term "tax". It is also proposed to amend the said clause so as to provide that the term "tax" shall include the fringe benefit tax chargeable under the proposed new section 115WA.

The existing provisions of clause (47) of said section defines the expression "transfer". It is proposed to insert a new sub-clause (iva) in the said clause (47) so as to provide that the maturity or redemption of a zero coupon bond shall also be treated as transfer.

It is also proposed to insert a new clause (48) and an *Explanation* thereto in the said section so as to define the expression 'zero coupon bond'. A zero coupon bond means a bond issued by any infrastructure capital company or infrastructure capital fund or public sector company on or after 1st day of June, 2005, in respect of which no payment and benefit is received or receivable before maturity or redemption from such company or fund or public sector company and which the Central Government may, by notification in the Official Gazette, specify in this behalf. It is also proposed to provide by way of *Explanation* that the expressions "infrastructure

capital company" or "infrastructure capital fund" shall have the meanings respectively assigned to them in clauses (a) and (b) of *Explanation 1* to clause (23G) of section 10.

Clause 37 of the Bill seeks to insert a new Chapter XII-H relating to income-tax on fringe benefits. The amendments proposed in clauses (7), (23B) and (43) of the aforesaid section are consequential in nature.

These amendments will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 4 seeks to amend section 10 of the Income-tax Act relating to incomes not included in total income.

Under the existing provisions contained in sub-clause (ii) of clause (4) of section 10, in the case of an individual, any income by way of interest on moneys standing to his credit in a Non-Resident (External) Account in any bank in India referred to in that sub-clause, shall not be included in computing his total income. However, the second proviso to the said sub-clause (ii) provides that such income by way of interest paid or credited on or after 1st April, 2005 to his Non-Resident (External) Account shall be included in the total income of the individual.

It is proposed to omit the said proviso.

Under the existing provisions contained in clause (6BB) of the said section, income-tax exemption is provided in respect of tax paid by an Indian company engaged in the business of operation of aircraft on income derived by the government of a foreign State or a foreign enterprise as consideration of acquiring an aircraft or an aircraft engine (other than payment for providing spares, facilities or services in connection with the operation of leased aircraft) on lease under an agreement entered into after 31st March, 1997 but before 1st April, 1999 or entered into after 31st March, 2005 and approved by the Central Government in this behalf and the tax on such income is payable by such Indian company under the terms of that agreement to the Central Government.

It is proposed to amend the said clause (6BB) so as to allow the said exemption in respect of all such agreements entered on or after 1st October, 2005.

Under the existing provisions of clause (10D), any sum received under a life insurance policy, including the sum allocated by way of bonus on such policy other than any sum received under sub-section (3) of section 80DD or sub-section (3) of section 80DDA or any sum received under a Keyman insurance policy or under an insurance policy issued on or after 1st April, 2003 in respect of which the premium payable during any year exceeds twenty per cent. of the actual capital sum assured, shall be exempt. The second proviso to the said clause

provides that the actual capital sum assured is to be calculated in the manner provided in the *Explanation* to sub-section (2A) of section 88.

It is proposed to amend the said second proviso so as to provide that for the purpose of this sub-clause, the actual capital sum assured is to be calculated in the manner provided in the *Explanation* to sub-section (3) of section 80C also.

Clause 21 of the Bill proposes to insert a new section 80C relating to deduction in respect of life insurance premium, deferred annuity, contribution to the provident fund, subscription to certain equity shares or debentures, etc. The proposed amendment to clause (10D) is therefore consequential in nature.

Under the existing provisions of item (fa) of sub-clause (iv) of clause (15) of section 10, the interest payable by a scheduled bank before 1st April, 2005 to a non-resident or to a person who is not ordinarily resident within the meaning of sub-section (6) of section 6 on deposits in foreign currency where the acceptance of such deposits by the bank is approved by the Reserve Bank of India shall not be included in computing his total income.

It is proposed to amend the said item (fa) to provide that such income payable by way of interest to a non-resident or to a person who is not ordinarily resident under the said item shall continue to be exempt on or after 1st April, 2005.

Under the existing provisions contained in clause (15A), exemption is provided on any payment made, by an Indian company engaged in the business of operation of aircraft, to acquire an aircraft or an aircraft engine (other than a payment for providing spares, facilities or services in connection with the operation of leased aircraft) on lease from the Government of a foreign State or a foreign enterprise under an agreement, not being an agreement entered into between 1st April, 1997 and 31st March, 1999, and approved by the Central Government in this behalf.

It is proposed to amend the said clause (15A) so as to withdraw the said exemption in respect of all such agreements entered into on or after 1st October, 2005.

These amendments will take effect from 1st April, 2006, and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 5 seeks to amend section 10A of the Income-tax Act relating to special provision in respect of newly established undertakings in free trade zones, etc.

Under the existing provisions contained in sub-section (1A) of the said section, an undertaking which begins to manufacture or produce articles or things or

computer software during the previous year relevant to any assessment year commencing on or after 1st April, 2003 in any special economic zone, is eligible for hundred per cent. deduction for a period of five years and fifty per cent. for the next two years, followed by fifty per cent. of profits credited to a reserve account to be utilised for the purpose of the business, for the next three years.

It is proposed to insert a proviso in the said sub-section so as to provide that no deduction under section 10A shall be allowed to any undertaking, which begins to manufacture or produce articles or things or computer software after 31st March, 2009, in any special economic zone.

This amendment will take effect from 1st April, 2006, and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 6 seeks to amend section 16 of the Income-tax Act relating to deductions from salaries.

The existing clause (i) of the said section provides for a deduction of forty per cent. of the salary or thirty thousand rupees, whichever is less, in the case of an assessee whose income from salary does not exceed five lakh rupees. In the case of an assessee whose income from salary exceeds five lakh rupees, a deduction of twenty thousand rupees is allowed.

It is proposed to omit the said clause (i) so as to disallow the said deduction.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 7 seeks to amend section 17 of the Income-tax Act relating to the definition of "salary", "perquisite" and "profits in lieu of salary".

Under the existing provisions contained in sub-clause (vi) of clause (2) of the said section, "perquisite" includes the value of any other fringe benefit or amenity as may be prescribed.

It is proposed to amend the said sub-clause (vi) to provide that the value of any other fringe benefit or amenity which may be prescribed, shall exclude those fringe benefits which are chargeable to tax under Chapter XII-H proposed to be inserted *vide* clause 37 of the Bill. The proposed amendment is therefore consequential in nature.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 8 seeks to amend section 32 of the Income-tax Act relating to depreciation.

Under the existing provisions contained in clause

(iiia) of sub-section (1) of the said section, a further sum equal to fifteen per cent. of the actual cost of any new machinery or plant (other than ships and aircraft) acquired and installed after the 31st day of March, 2002 by an assessee engaged in the business of manufacture or production of any article or thing, is allowed as deduction as further depreciation.

It is proposed to increase the said sum of further depreciation mentioned in the said clause (iiia) from fifteen per cent. to twenty per cent. It is further proposed to omit the conditions relating to industrial undertaking being new or substantial expansion mentioned in the first proviso to the aforesaid clause (iiia) and also to omit the requirements of furnishing details of machinery or plant and report of an accountant mentioned in the third proviso of that clause (iiia).

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to assessment year 2006-07 and subsequent years.

The existing provisions of clause (2) of *Explanation* below clause (iii) of sub-section (1) of said section 32 provide that the expression "sold" includes a transfer by way of exchange or a compulsory acquisition under any law for the time being in force but does not include a transfer, in a scheme of amalgamation, of any asset by the amalgamating company to the amalgamated company where the amalgamated company is an Indian company.

It is proposed to amend the said clause so as to provide that transfer of any asset in a scheme of amalgamation of a banking company referred to in clause (c) of section 5 of the Banking Regulation Act, 1949 with a banking institution referred to in sub-section (15) of section 45 of the Banking Regulation Act, 1949, sanctioned and brought into force by the Central Government under sub-section (7) of section 45 of the Banking Regulation Act, 1949 would not come within the scope of expressions "sold" for purposes of said clause.

This amendment will take effect retrospectively from 1st April, 2005, and will, accordingly, apply in relation to the assessment year 2005-2006 and subsequent years.

Clause 9 seeks to amend section 33AC of the Income-tax Act relating to reserves for shipping business.

The existing sub-section (4) of the said section contains provisions dealing with the sale or transfer of a ship after the expiry of three years' lock-in period. Where a company sells or transfers the ship after three years' lock-in period and the sale proceeds are not utilised for the purpose of acquiring a new ship within a period of one year from the end of the previous year in which such sale or transfer took place, the sale proceeds shall be deemed to be the profits of the assessment year immediately following the previous year in which the ship was sold or transferred.

It is proposed to amend the said sub-section (4) so as to provide that only so much amount of the sale proceeds which represent the amount credited to the reserve account and utilised for acquisition of the ship would be deemed to be the profits.

This amendment will take retrospective effect from 1st April, 2004, and will, accordingly, apply in relation to the assessment year 2004-2005 and subsequent years.

Clause 10 seeks to amend section 35 of the Income-tax Act relating to expenditure on scientific research.

Under the existing provisions contained in sub-section (2AB) of the said section, a company engaged in the business of bio-technology or in the business of manufacture or production of any drugs, pharmaceuticals, electronic equipments, computers, chemicals, etc. incurs any expenditure on scientific research (not being in the nature of cost of any land or building) on in-house research and development facility, as approved by the prescribed authority, is allowed a deduction of a sum equal to one and one-half times of the expenditure so incurred. However, no deduction with regard to such expenditure incurred after 31st March, 2005 shall be allowed.

It is proposed to amend the said sub-section (2AB) so as to provide that deduction under the said sub-section shall be allowed with regard to such expenditure incurred upto 31st March, 2007.

This amendment will take effect from 1st April, 2006, and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 11 seeks to amend section 35DDA of the Income-tax Act relating to amortisation of expenditure incurred under voluntary retirement scheme.

Under the existing provisions contained in sub-section (1) of the said section, where an assessee incurs any expenditure in any previous year by way of payment of any sum to an employee at the time of his voluntary retirement, under any scheme of voluntary retirement framed in accordance with the guidelines prescribed under clause (10C) of section 10, one-fifth of the amount so paid shall be deducted in computing the profits and gains of the business for that previous year, and the balance shall be deducted in equal instalments for each of the four immediately succeeding previous years.

It is proposed to amend the aforesaid sub-section (1) so as to allow the whole expenditure incurred by the assessee in making payment to the employee in connection with his voluntary retirement either in the year of retirement or in any subsequent year, each part payment being entitled to deduction in five equal annual instalments beginning from the year in which such part payment is made to the employee.

This amendment will take effect retrospectively from 1st April, 2004 and will, accordingly, apply in relation to the assessment year 2004-2005 and subsequent years.

Clause 12 seeks to amend section 36 of the Income-tax Act relating to other deductions.

The existing provisions of sub-section (1) of the said section provides for allowing certain deductions in the manner provided in its various clauses. It is proposed to insert a new clause (iiiia) in the said sub-section so as to provide deduction for the discount on a zero coupon bond on *pro rata* basis to be calculated in the manner as may be prescribed. The *Explanation* to the proposed clause provides the meaning of the expression "discount" as a difference of the amount received or receivable on issue of the bond and the amount payable on maturity or redemption of the bond issued by an infrastructural company or infrastructure capital fund or public sector company. It is also proposed to define the terms "period of life of the bond" "infrastructure capital company" and "infrastructure capital fund" by way of an *Explanation*.

It is further proposed to insert a new clause in the said sub-section so as to provide for allowing deduction in respect of banking cash transaction tax paid by the assessee during the year on the taxable banking transactions entered into by him. *Explanation* to this clause provides that for purposes of this clause the expressions "banking cash transaction tax" and the "taxable banking transaction" shall have the same meanings respectively assigned to them under Chapter VII of the Finance Act, 2005.

These amendments will take effect from 1st April, 2006, and shall accordingly apply for assessment year 2006-07 and subsequent years.

Clause 13 seeks to amend section 40 of the Income-tax Act relating to amounts not deductible.

Clause 37 of the Bill seeks to insert a new Chapter XII-H relating to income-tax on fringe benefits. The proposed amendment is consequential in nature.

It is proposed to insert a new sub-clause (ic) in clause (a), of the said section 40 so as to provide that any sum paid on account of fringe benefit tax under the proposed new Chapter XII-H shall not be deducted in computing the income chargeable under the head "Profits and gains of business or profession".

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 14 seeks to amend section 43 of the Income-tax Act relating to definitions of certain terms relevant to income from profits and gains of business or profession.

Under the existing provisions contained in the proviso to clause (5) of the said section, certain transactions are not deemed to be speculative transactions.

The proposed amendment seeks to provide that an eligible transaction in respect of trading in derivatives carried out in a recognised stock exchange shall also not be deemed to be a speculative transaction.

The proposed amendment also seeks to define certain expressions and prescribed conditions to be fulfilled by the recognised stock exchanges.

This amendment will take effect from 1st April, 2006, and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 15 seeks to amend section 47 of the Income-tax Act relating to transactions not regarded as transfer.

The existing provisions contained in the said section, *inter alia*, provide for the transactions which are not regarded as transfer for purpose of section 45 relating to capital gains.

It is proposed to insert a new clause (viaa) and an *Explanation* in said section so as to provide that the provisions of section 45 shall not be applicable in respect of any transfer of a capital asset by a banking company to a banking institution in a scheme of amalgamation of such banking company with such banking institution sanctioned and brought into force by the Central Government under sub-section (7) of section 45 of the Banking Regulation Act, 1949. The *Explanation* to the said clause proposes to define the meaning of expressions "banking company" and "banking institution" used in the proposed clause (viaa).

This amendment will take effect retrospectively from 1st April, 2005 and will accordingly apply in relation to assessment year 2005- 2006 and subsequent years.

Clause 16 seeks to amend section 49 of the Income-tax Act relating to cost with reference to certain modes of acquisition.

The existing provisions contained in the said section, *inter alia*, provide the cost of acquisition of certain capital assets which became the property of the assessee by way of modes specified therein.

Clause 19 of the Bill proposes to insert a new clause inserting new section 72AA. It is proposed to amend sub-section (1) of the said section 49 so as to include therein the transfer of a capital asset by a banking company to a banking institution under a scheme sanctioned and brought into force by the Central Government under sub section (7) of section 45 of the Banking Regulation Act, 1949. This amendment is therefore consequential in nature.

This amendment will take effect retrospectively from 1st April, 2005 and will accordingly apply in relation to assessment year 2005-2006 and subsequent years.

Clause 17 seeks to amend section 54EC of the Income-tax Act relating to capital gain not to be charged on investment in certain bonds.

The existing provisions of the said section provide that the capital gain arising from transfer of a long term capital asset shall be exempt from tax if such capital gain is invested, within a period of six months after the date of transfer, in a long term specified asset, being any bond redeemable after three years, issued by the National Bank for Agriculture and Rural Development or the National Highways Authority of India, the Rural Electrification Corporation Limited, the National Housing Bank or the Small Industries Development Bank of India. If part of the capital gain is so invested in acquiring the long term specified asset, proportionate exemption will be available. The exemption is available subject to the condition that the said long term specified assets are held for a minimum period of three years, failing which the exemption allowed on the basis of such investment will be disallowed and the amount so disallowed will be deemed to be the income chargeable to tax under the head "Capital gains" of the previous year in which such long term assets are sold or otherwise transferred.

Sub-section (3) of the said section provides that where the cost of the long term specified asset has been taken into account for the purposes of exemption under the said section 54EC, a deduction from the amount of income-tax with reference to such cost shall not be allowed under section 88.

It is proposed to amend sub-section (3) so as to provide that where the cost of the long term specified asset has been taken into account for the purposes of exemption under this section, a deduction from the income with reference to such cost shall not be allowed under the proposed section 80C.

Clause 21 of the Bill proposes to insert a new section 80C relating to deduction in respect of life insurance premia, deferred annuity, contributions to provident fund, subscription to certain equity shares or debentures, etc. The proposed amendment is therefore consequential in nature.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 18 seeks to amend section 54ED of the Income-tax Act relating to capital gain on transfer of certain listed securities or unit not to be charged in certain cases.

The existing provisions of the said section provide that the capital gain arising from transfer of a long term capital asset, being listed securities or unit of a mutual fund or of the Unit Trust of India shall be exempt from tax if such capital gain is invested, within a period of six months after the date of transfer, in equity shares forming part of an eligible issue of capital, offered for subscription to the public. If part of the capital gain is so invested in acquiring the said equity shares, proportionate exemption will be available. The exemption is available subject to the condition that the said equity shares are held for a minimum period of one year, failing which the exemption allowed on the basis of such investment will be disallowed and the amount so disallowed will be deemed to be the income chargeable to tax under the head "Capital gains" of the previous year in which such equity shares are sold or otherwise transferred.

Sub-section (3) of the said section provides that where the cost of the specified equity shares has been taken into account for the purposes of exemption under the said section 54ED, a deduction from the amount of income-tax with reference to such cost shall not be allowed under section 88.

It is proposed to amend sub-section (3) so as to provide that where the cost of the specified equity shares asset has been taken into account for the purposes of exemption under the said section, a deduction from the income with reference to such cost shall not be allowed under section 80C.

Clause 21 of the Bill proposes to insert a new section 80C relating to deduction in respect of life insurance premia, deferred annuity, contributions to provident fund, subscription to certain equity shares or debentures, etc. The proposed amendment is therefore consequential in nature.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 19 seeks to insert a new section 72AA in the Income-tax Act relating to carry forward and set off of accumulated loss and unabsorbed depreciation allowance in scheme of amalgamation of banking company in certain cases.

The proposed new section seeks to provide that where a banking company has been amalgamated with a banking institution under a scheme sanctioned and brought into force by the Central Government under sub-section (7) of section 45 of the Banking Regulation Act, 1949, the accumulated loss and unabsorbed depreciation of the amalgamating banking company shall be deemed to be the loss or the allowance for depreciation of the banking institution with which the banking company has been amalgamated and all the provisions contained in

the Income-tax Act relating to set-off and carry forward of loss and unabsorbed depreciation shall apply accordingly.

The *Explanation* to the proposed new section defines the expressions "accumulated loss", "banking company", "banking institution" and "unabsorbed depreciation" used in that section.

This amendment will take effect retrospectively from 1st April, 2005 and shall accordingly apply for assessment year 2005-06 and subsequent years.

Clause 20 seeks to amend section 73 of the Income-tax Act relating to losses in speculation business.

Under the existing provisions contained in sub-section (4) of the said section no loss is allowed to be carried forward for more than eight assessment years immediately succeeding the assessment year for which the loss was first computed.

It is proposed to amend the said sub-section (4) so as to reduce the period of loss to be carried forward from eight assessment years to four assessment years.

This amendment will take effect from 1st April, 2006, and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 21 seeks to insert a new section 80C in the Income-tax Act relating to deduction in respect of life insurance premia, deferred annuity, contributions to provident fund, subscription to certain equity shares or debentures, etc.

Sub-section (1) of the proposed new section seeks to provide that in computing the total income of an individual or a Hindu undivided family, a deduction not exceeding one lakh rupees shall be allowed with respect to the amounts paid or deposited, in the previous year out of the income chargeable to tax, in the schemes or plans referred to in sub-section (2) of the said section.

Sub-section (2) of the proposed new section provides that the amount paid or deposited in the previous year to effect or keep in force an insurance or a contract for a deferred annuity on the life of specified persons, as contribution to general provident fund, recognised provident fund, contribution for participation in the Unit-linked insurance plans of LIC Mutual Fund, subscription to any deposit scheme of National Housing Bank, subscription to equity shares or debentures forming part of any eligible issue of capital of a public company or a public financial institution, repayment of housing loan, payment of tuition fees, etc., is eligible for deduction under the proposed new section.

Sub-section (3) of the proposed new section seeks to provide that the provisions of sub-section (2) shall apply only to so much of any premium or other payment

made on an insurance policy other than a contract for a deferred annuity as is not in excess of twenty per cent. of the actual capital sum assured. It is also proposed to clarify by the *Explanation* to the proposed sub-section (3) that in calculating any such actual capital sum, no account shall be taken of the value of any premiums agreed to be returned, or of any benefit by way of bonus or otherwise over and above the sum actually assured, which is to be or may be received under the policy by any person.

Sub-section (4) of the proposed new section seeks to specify the persons in whose name the investments can be made.

Sub-section (5) of the proposed new section seeks to provide the consequences in the event of termination of contract of insurance before the expiry of two years or transfer of the house property referred to in clause (xviii) of sub-section (2) before the expiry of five years.

Sub-section (6) of the proposed new section seeks to provide the consequences in the event of transfer of equity shares or debentures within a period of three years from the date of their acquisition.

Sub-section (7) of the proposed new section seeks to provide that insurance, deferred annuity, provident fund, superannuation fund, unit-linked insurance plan, etc. of sub-section (2) of section 88 shall be eligible for deduction under the proposed new section 80C.

Sub-section (8) of the proposed new section seeks to define certain terms such as contribution, insurance, security, transfer, etc. for the purposes of the said new section.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 22 seeks to amend section 80CCC of the Income-tax Act relating to deduction in respect of contribution to certain pension funds.

Under the existing provisions contained in the said section, an assessee being an individual, is allowed a deduction up to ten thousand rupees in the computation of his total income, of the amount paid or deposited by him to effect or keep in force a contract for any annuity plan of Life Insurance Corporation of India or any other insurer for receiving pension from the fund referred to in clause (23AAB) of section 10.

Sub-section (3) of the said section provides that where any amount paid or deposited by the assessee, has been allowed as a deduction under this section, a rebate with reference to such amount shall not be allowed under section 88.

It is proposed to amend sub-section (3) so as to provide that where any amount paid or deposited by the assessee, has been allowed as a deduction under the aforesaid section, a deduction with reference to such amount shall not be allowed under section 80C.

Clause 21 of the Bill proposes to insert a new section 80C relating to deduction in respect of life insurance premia, deferred annuity, contributions to provident fund, subscription to certain equity shares or debentures, etc. The proposed amendment is therefore consequential in nature.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 23 seeks to amend section 80CCD of the Income-tax Act relating to deduction in respect of contribution to pension scheme of Central Government.

Under the existing provisions contained in the said section, an assessee being an individual, employed by the Central Government on or after 1st January, 2004 is allowed a deduction in the computation of his total income, of the amount (as does not exceed ten per cent. of his salary) paid or deposited by him in his account under a pension scheme notified by the Central Government. A similar deduction is also allowed with respect to the amount contributed by the Central Government to the said account.

Sub-section (4) of the said section provides that where any amount paid or deposited by the assessee, has been allowed as a deduction under sub-section (1), no rebate with reference to such amount shall be allowed under section 88.

It is proposed to amend sub-section (4) so as to provide that where any amount paid or deposited by the assessee, has been allowed as a deduction under sub-section (1), no deduction with reference to such amount shall be allowed under section 80C.

Clause 21 of the Bill proposes to insert a new section 80C relating to deduction in respect of life insurance premia, deferred annuity, contributions to provident fund, subscription to certain equity shares or debentures, etc. The proposed amendment is therefore consequential in nature.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 24 seeks to insert a new section 80CCE in the Income-tax Act relating to limit on deductions under sections 80C, 80CCC and 80CCD.

The proposed new section seeks to provide that the aggregate amount of deductions under section 80C,

section 80CCC and section 80CCD shall not, in any case, exceed one lakh rupees.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 25 seeks to substitute section 80E of the Income-tax Act relating to deduction in respect of repayment of loan taken for higher education by a new section.

Under the existing provisions contained in the said section, a deduction of rupees forty thousand is allowed to an individual on account of any amount paid by him in the previous year out of his income chargeable to tax, by way of repayment of loan or interest on such loan, taken from any financial institution or any approved charitable institution for the purpose of pursuing his higher education.

It is proposed to substitute the said section so as to, *inter alia* provide that deduction under the said section shall be available only with respect to the interest on the loan taken from any financial institution or any approved charitable institution for the purposes of pursuing his higher education. It is further proposed that there shall be no limit with regard to the payment of interest on such loan.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 26 seeks to amend section 80-IA of the Income-tax Act, relating to deductions in respect of profits and gains from industrial undertakings or enterprises engaged in infrastructure development, etc.

Under the existing provisions contained in clause (i) of sub-section (4) of the said section, any enterprise carrying on the business of developing or operating and maintaining or developing, operating and maintaining any infrastructure facility and which starts operating and maintaining such infrastructure facility on or after 1st April, 1995, is eligible for a hundred per cent. deduction of profits for a period of ten years. Sub-clause (a) of the said clause provides that the enterprise shall be owned by a company registered in India or by a consortium of such companies.

The proposed amendment seeks to amend the said sub-clause so as to provide that the enterprise shall be owned by a company registered in India or by a consortium of such companies or by an authority or a board or a corporation or any other body established or constituted under any Central or State Act.

This amendment will take effect from 1st April, 2006, and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 27 of the Bill seeks to amend section 80-IB of the Income-tax Act relating to deduction in respect of profits and gains from certain industrial undertakings other than infrastructure development undertakings.

Sub-section (4) of the said section, *inter alia*, provides for hundred per cent. deduction from profits, for a period of five assessment years followed by twenty-five per cent. (thirty per cent. in the case of a company) for the next five years, to the industrial undertakings engaged in manufacture or production of articles or things or operation of a cold storage plant and set up during the period beginning on 1st April, 1993 and ending on 31st March, 2005 in the State of Jammu and Kashmir.

It is proposed to amend the fourth proviso to the said sub-section so as to extend the said period from 31st March, 2005 to 31st March, 2007 for setting up industrial undertakings in the State of Jammu and Kashmir and for commencement of manufacture or production of articles or things or operation of a cold storage plant.

Under the existing provisions contained in sub-section (8A) of the said section, any company carrying on scientific research and development is allowed a hundred per cent. deduction of the profits of such business for a period of ten consecutive assessment years, if such company has, *inter alia*, been approved by the prescribed authority before 1st April, 2005.

It is proposed to extend the said time limit for obtaining approval upto 31st March, 2007.

These amendments will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 28 seeks to omit section 80L of the Income-tax Act relating to deductions in respect of interest on certain securities, dividends, etc.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 29 seeks to amend section 88 of the Income-tax Act relating to tax rebate on life insurance premia, contribution to provident fund, etc.

Clause 21 of the Bill proposes to insert a new section 80C relating to deduction in respect of life insurance premia, deferred annuity, contributions to provident fund, subscription to certain equity shares or debentures, etc.

It is therefore proposed to insert a new sub-section (9) in section 88 so as to provide that no deduction from the amount of income-tax under the said section shall be allowed to any assessee for the assessment year beginning on 1st April, 2006 and subsequent years.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 30 seeks to omit section 88B of the Income-tax Act relating to rebate of income-tax in case of individuals of the age of sixty-five years or above.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 31 seeks to omit section 88C of the Income-tax Act relating to rebate of income-tax in case of women below sixty-five years.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 32 seeks to omit section 88D of the Income-tax Act relating to rebate of income-tax in case of certain individuals.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 33 seeks to amend section 112 of the Income-tax Act relating to tax on long-term capital gains.

The proviso occurring below clause (d) of sub-section (1) of the said section provides that where the tax payable in respect of any income arising from transfer of listed securities or units exceeds ten per cent. of the amount of capital gains before giving effect to the provisions of the second proviso to section 48, then, such excess shall be ignored for the purpose of computing the tax payable by the assessee.

It is proposed to amend the said proviso so as to provide that it shall also be applicable in respect of long-term capital gain arising from zero coupon bonds.

This amendment will take effect from 1st April, 2006, and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 34 seeks to amend section 115A of the Income-tax Act relating to tax on dividends, royalty and technical service fees in the case of foreign companies.

The existing provisions of clause (b) of sub-section (1) of the said section provide for the rates at which income-tax shall be payable where the total income of a non-resident (not being a company) or a foreign company includes any income by way of royalty or fees for technical services other than income referred to in sub-section (1) of section 44DA received from Government or an Indian concern in pursuance of an agreement made by the foreign company with Government or the Indian concern after 31st March, 1976, and where such agreement is with an Indian concern, the agreement is approved by the Central Government or where it relates to a matter included in the industrial policy, for the time being in

force, of the Government of India, the agreement is in accordance with that policy.

Under the existing provisions contained in the said clause (b), the royalty received in pursuance of an agreement made on or before 31st May, 1997 is taxable at the rate of thirty per cent. under the Income-tax Act and where such royalty is received in pursuance of an agreement made after 31st May, 1997, the same is taxable at twenty per cent. under that Act. The fees for technical services received in pursuance of an agreement made on or before 31st May, 1997 is taxable at the rate of thirty per cent. under the Income-tax Act and where such fees for technical services is received in pursuance of an agreement made after 31st May, 1997, the same is taxable at twenty per cent. under that Act.

It is proposed to amend the said clause (b) of sub-section (1) so as to reduce the said tax rate from twenty per cent. to ten per cent. on royalty received in pursuance of an agreement made on or after 1st June, 2005. It is further proposed to reduce the tax rate from twenty per cent. to ten per cent. on fees for technical services received in pursuance of an agreement made on or after 1st June, 2005.

These amendments will take effect from 1st April, 2006, and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 35 seeks to amend section 115JAA of the Income-tax Act relating to tax credit in respect of tax paid on deemed income relating to certain companies.

The existing provisions of the said section, *inter alia*, provide that where any amount of tax is paid under sub-section (1) of section 115JA by an assessee, being a company, credit in respect of the tax so paid is allowed. The tax credit is allowed on the difference of the tax paid for any assessment year under sub-section (1) of section 115JA and the amount of tax payable by the assessee on his total income computed in accordance with the other provisions of the Act.

It is proposed to amend the provisions of the said section so as to provide that where any amount of tax is paid under sub-section (1) of section 115JB by a company for any assessment year beginning on or after 1st April, 2006, credit in respect of tax so paid shall be allowed to him in accordance with the provisions of section 115JAA.

It is further proposed to give a reference of section 115JB in sub-section (2) of the section 115JAA.

These amendments will take effect from 1st April, 2006, and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 36 seeks to amend section 115VD of the Income-tax Act relating to qualifying ship.

The existing provisions of the said section contains meaning of the qualifying ship which *inter alia* does not include "dredgers".

It is proposed to omit clause (vii) of the aforesaid section relating to dredgers so as to bring "dredgers" within the meaning of the qualifying ship.

This amendment will take effect from 1st April, 2006, and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 37 seeks to insert a new Chapter XII-H in the Income-tax Act relating to income tax on fringe benefits. This Chapter contains 13 sections from section 115W to section 115WL.

The proposed new section 115W defines certain expressions used in the said Chapter.

The proposed new section 115WA relating to charge of fringe benefit tax provides that in addition to the income tax charged under the Income-tax Act, an income tax called fringe benefit tax shall be charged for every assessment year commencing from 1st April, 2006 in respect of fringe benefits provided or deemed to have been provided by an employer to his employees during the previous year. The fringe benefit tax shall be levied at the rate of thirty per cent. on the value of fringe benefits. It has also been provided that fringe benefit tax shall be payable by an employer irrespective of the fact that such employer is not liable to pay income tax under the other provisions of the Income-tax Act.

The proposed new section 115WB seeks, *inter alia*, to define the term fringe benefits.

The proposed new section 115WC relates to value of fringe benefits. It lays down the value of fringe benefits [in terms of percentage of certain expenses specified in the proposed section 115WB] which shall be taken as fringe benefits for the purpose of levy of fringe benefit tax.

The proposed new section 115WD relates to return of fringe benefits. It, *inter alia*, provides that every person being an employer who has paid or made provision for payment of fringe benefits to his employees during the previous year, is required to furnish on or before the due date a return of fringe benefits to the Assessing Officer. The provisions contained in the said new section 115WD relating to return of fringe benefits are broadly on the lines of section 139 of the Income-tax Act.

The proposed new section 115WE relates to assessment. It, *inter alia*, provides that if any tax or interest is found due on the basis of the return of fringe benefits made under section 115WD, after adjustment of any advance tax paid and any amount paid otherwise by way of tax or interest, an intimation shall be sent to the

assessee specifying the sum so payable which shall be deemed to be a notice of demand issued under section 156. The provisions contained in the said new section 115WE relating to assessment of fringe benefits are broadly on the lines of section 143 of the Income-tax Act.

The proposed new section 115WF relates to best judgment assessment. It, *inter alia*, provides that if an employer fails to furnish a return of fringe benefits under section 115WD or having made a return, fails to comply with all the terms of a notice issued under sub-section (2) of section 115WE, the Assessing Officer, shall after taking into account all relevant material and after giving the assessee an opportunity of being heard, make the assessment of the fringe benefits to the best of his judgment and determine the sum payable by the assessee or refundable to the assessee on the basis of such assessment. The provisions contained in the said new section 115WF relating to best judgment assessment of fringe benefits are broadly on the lines of section 144 of the Income-tax Act.

The proposed new section 115WG relates to fringe benefits escaping assessment. It, *inter alia*, provides that where the Assessing Officer has reason to believe that any fringe benefits chargeable to tax has escaped assessment for any assessment year, he may assess or reassess such fringe benefits and also any other fringe benefits chargeable to tax which has escaped assessment and which comes to his notice subsequently in the course of the proceedings under this section. The provisions contained in the said new section 115WG relating to fringe benefits escaping assessment are broadly on the lines of section 147 of the Income-tax Act.

The proposed new section 115WH relates to the issue of notice where fringe benefits have escaped assessment. It, *inter alia*, provides that where fringe benefits have escaped assessment, before making the assessment or reassessment under section 115WG, the Assessing Officer shall serve a notice on the assessee requiring him to furnish a return of fringe benefits within the prescribed period and in the prescribed form and manner, setting forth such particulars as may be prescribed. However, no such notice shall be issued for the relevant assessment year after the expiry of six years from the end of the relevant assessment year. It has also been provided that where an assessment under sub-section (3) of section 115WE or section 115WG has been made for the relevant assessment year, no notice shall be issued under this section, after the expiry of four years from the end of the relevant assessment year, unless the Chief Commissioner or Commissioner is satisfied, on the reasons recorded by the Assessing Officer, that it is a fit case for the issue of such notice.

The proposed new section 115WI relates to payment of fringe benefits. It, *inter alia*, provides that irrespective of the fact that the regular assessment in respect of fringe benefits is to be made in a later assessment year, the tax on such fringe benefits shall be payable in advance during any financial year, in accordance with the provisions of section 115WJ.

The proposed new section 115WJ relates to advance tax in respect of fringe benefits. It, *inter alia*, provides that every employer shall pay advance tax on his current fringe benefits. The amount of advance tax payable in the financial year shall be thirty per cent. of the value of the fringe benefits paid or payable in each quarter. The advance tax shall be payable on or before 15th day of the month following such quarter. It has also been provided that the advance tax payable in relation to the quarter ending on 31st March of the financial year shall be paid by the assessee on or before 15th March of the said financial year. It has also been provided that where an assessee, fails to pay the advance tax for any quarter or where the advance tax paid by him is less than thirty per cent of the value of fringe benefits paid or payable in that quarter, he shall be liable to pay simple interest at the rate of one per cent. on the shortfall, for every month or part of a month for which the shortfall continues.

The proposed new section 115WK relates to interest for default in furnishing return of income. It, *inter alia*, provides that where the return of fringe benefits for any assessment year under section 115WD is furnished after the due date, or is not furnished, the employer shall be liable to pay simple interest at the rate of one per cent. for every month or part of a month, comprised in the period commencing on the date immediately following the due date and ending on the date of furnishing of the return or where no return is furnished ending on the date of completion of the assessment under section 115WF. The interest shall be charged on the amount of fringe benefit tax determined under sub-section (1) of section 115WE or on regular assessment as reduced by the advance tax paid under section 115WJ. The provisions contained in the said new section 115WK relating to interest for default in furnishing return of fringe benefits are broadly on the lines of section 234A of the Income-tax Act.

The proposed new section 115WL relates to application of other provisions of the Income-tax Act. It, *inter alia*, provides that save as otherwise provided in Chapter XII-H, all other provisions of the Income-tax Act shall apply in relation to fringe benefits also.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 38 of the Bill seeks to amend section 119 of the Income-tax Act relating to instructions to subordinate authorities.

Under the existing provisions contained in clause (a) of sub-section (2) of the said section, the Board may, if it considers it necessary or expedient so to do, for the purpose of proper and efficient management of the work of assessment and collection of revenue, issue, from time to time, whether by way of relaxation of any of the provisions of the sections specified therein or otherwise, general or special orders in respect of any class of incomes or class of cases, setting forth directions or instructions not being prejudicial to the assessee and for this purpose issue guidelines, principles or procedures to be followed by other income-tax authorities in the work relating to assessment or collection of revenue or the initiation of proceedings for the imposition of penalties.

It is proposed to amend the said clause (a) so as to provide that such general or special orders may be issued by the Board by way of relaxation of the provisions of sections 115WD, 115WE, 115WF, 115WG, 115WH, 115WJ and 115WK also.

It is further proposed to amend the said sub-section (2) so as to substitute the words "any class of incomes" by the words "any class of incomes or fringe benefits" as a consequential amendment to the insertion of a new Chapter XII-H in the Income-tax Act *vide* clause 37 of the Bill.

These amendments will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 39 of the Bill seeks to amend section 124 of the Income-tax Act relating to jurisdiction of the Assessing Officer.

The existing provisions of clause (a) of sub-section (3) of the said section provides that no person shall be entitled to call in question the jurisdiction of an Assessing Officer where such person has made a return under sub-section (1) of section 139 after the expiry of one month from the date on which he was served with a notice under sub-section (1) of section 142 or sub-section (2) of section 143 or after the completion of the assessment, whichever is earlier.

It is proposed to amend clause (a) of sub-section (3) to include a reference to a return of fringe benefits made under sub-section (1) of the proposed new section 115WD.

The existing provisions of clause (b) of sub-section (3) of the said section provide that the jurisdiction of the Assessing Officer shall not be called in question where no return has been made, after the expiry of the time allowed by the notice under sub-section (1) of section 142 or under section 148 for the making of the return or by the notice under the first proviso to section 144, whichever is earlier.

It is further proposed to amend clause (b) of the said sub-section so as to include a reference to a notice issued under sub-section (2) of section 115WD or under section 115WH for the making of the return or a notice under the first proviso to section 115WF.

Clause 37 of the Bill seeks to insert a new Chapter XII-H relating to income-tax on fringe benefits. The proposed amendments are therefore consequential in nature.

These amendments will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 40 seeks to amend section 139 of the Income-tax Act relating to return of income.

Under the existing provisions of clause (a) of sub-section (1) of said section 139, every person being a company is required to furnish his return of income in prescribed form on or before the due date.

It is proposed to amend this clause so as to provide that every firm in addition to the company shall also furnish a return of its income on or before the due date.

Under the existing provisions of clause (b) of sub-section (1) of section 139, every person, being a person other than a company, if his total income or the total income of any other person in respect of which he is assessable during the previous year exceeded the maximum amount which is not chargeable to income-tax shall on or before the due date furnish a return of his income or income of such other person during the previous year in the prescribed form.

It is proposed to amend this clause so as to exclude a firm also from the ambit of this clause which is of consequential in nature.

Under the existing provisions of the first proviso to sub-section (1) of the said section 139, a person referred to in clause (b) thereof who is not required to furnish a return under sub-section (1) of section 139, if fulfils any of six conditions specified therein has to furnish a return of its income. One such condition specified in clause (iii) of the said proviso is that the person is a subscriber to a cellular telephone not being a wireless in local loop telephone.

It is proposed to omit this condition for purposes of filing the return under the said proviso.

It is further proposed to include in the scope of sub-section (1) of section 139 a person who has incurred an expenditure of fifty thousand rupees or more towards consumption of electricity during the previous year.

Under the existing provisions of the third proviso to aforesaid sub-section (1), every company is required

to furnish on or before the due date the return in respect of its income or loss in every previous year.

It is proposed to amend the said proviso so as to provide that every firm in addition to the company shall also furnish on or before the due date the return in respect of its income or loss in every previous year.

Under the existing provisions of clause (b) of aforesaid sub-section (1), a person other than a company is required to furnish the return of income if his total income or the total income of any other person in respect of which he is assessable exceeds the maximum amount which is not chargeable to income-tax. It is proposed to insert a fourth proviso to sub-section (1) of section 139 so as to provide that every person being an individual or a Hindu undivided family or an association of persons or a body of individuals, whether incorporated or not, or an artificial juridical person, if his total income or the total income of any other person in respect of which he is assessable under this Act during the previous year, without giving effects to the provisions of section 10A, section 10B, section 10BA and Chapter VI-A exceeded the maximum amount which is not chargeable to income tax, shall, on or before the due date, furnish a return of his income or the income of such other person during the previous year, in the prescribed form and verified in the prescribed manner and setting forth such other particulars as may be prescribed.

These amendments will take effect from 1st April, 2006 and will, accordingly, apply in relation to assessment year 2006-2007 and onwards.

Under the existing provisions contained in sub-clause (i) of clause (c) of *Explanation* to sub-section (9) of the said section 139 where the return of income is not accompanied by the proof of tax, if any, claimed to have been deducted at source after 1st April, 2005, the return of income shall not be regarded as defective.

It is proposed to extend the said date to 1st April, 2006 so as to provide that the return of income if not accompanied by proof of tax, if any, claimed to have been deducted at source after 1st April, 2006, shall not be regarded as defective.

This amendment will take effect from 1st April, 2005.

Clause 41 of the Bill seeks to amend section 139A of the Income-tax Act relating to permanent account number.

The existing provisions of sub-section (1) of the said section, *inter alia*, provide that every person whose total income during any previous year exceeded the maximum amount which is not chargeable to income-tax and who has not been allotted a permanent account

number, shall, within the prescribed time, apply to the Assessing Officer for allotment of a permanent account number. Sub-section (7) of section 139A provides that no person who has already been allotted a permanent account number under the new series shall apply, obtain or possess another permanent account number.

It is proposed to insert a new clause (iv) in sub-section (1) of the aforesaid section to provide that every person being an employer, who is required to furnish a return of fringe benefits under section 115WD and who has not been allotted a permanent account number, shall apply to the Assessing Officer for allotment of a permanent account number within the prescribed time.

It is further proposed to insert an Explanation in sub-section (7) to clarify that any person, who has been allotted a permanent account number under sub-section (1), shall not be required to obtain another permanent account number under the proposed clause (ia) of the said sub-section and the permanent account number already allotted shall be deemed to be the permanent account number in relation to fringe benefit tax.

Clause 37 of the Bill seeks to insert a new Chapter XII-H relating to income-tax on fringe benefits. The proposed amendments are therefore consequential in nature.

These amendments will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 42 seeks to amend section 140 of the Income-tax Act relating to return by whom to be signed.

The existing provision of the said section specifies the persons who are authorised to sign and verify the return of income under section 139 of the Act.

It is proposed to include a reference in the said section to a return of fringe benefits made under section 115WD.

Clause 37 of the Bill seeks to insert a new Chapter XII-H relating to income-tax on fringe benefits. The proposed amendments are therefore consequential in nature.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 43 seeks to amend section 140A of the Income-tax Act relating to self-assessment.

Under the existing provisions contained in sub-section (1) of the said section, it is provided that where any tax is payable on the basis of any return required to be furnished under section 139 or section 142 or section 148 or section 153A or section 158BC, after taking into

account the amount of tax, if any, already paid under any provision of this Act, the assessee shall be liable to pay such tax together with interest payable for any delay in furnishing the return or any default or delay in payment of advance tax, before furnishing the return and the return shall be accompanied by proof of payment of such tax and interest. Sub-section (1A) of section 140A provides that for the purposes of sub-section (1), interest payable under section 234A shall be computed on the amount of the tax on the total income as declared in the return as reduced by the advance tax, if any, paid and any tax deducted or collected at source.

It is proposed to amend sub-section (1) of the aforesaid section to include a reference to a return of fringe benefits furnished under section 115WD.

It is further proposed to substitute sub-section (1A) of the said section, *inter alia*, to provide that interest payable under section 115WK shall be computed on the amount of tax on the value of the fringe benefits as declared in the return as reduced by the advance tax, paid, if any.

It is also proposed to amend sub-section (2) of the said section so as to include a reference to the proposed new section 115WE or section 115WF in the aforesaid sub-section.

Clause 37 of the Bill seeks to insert a new Chapter XII-H relating to income-tax on fringe benefits. The proposed amendments are therefore consequential in nature.

These amendments will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 44 of the Bill seeks to amend section 142 of the Income-tax Act relating to inquiry before assessment.

Sub-section(1) of the existing provision, *inter alia*, provides that for the purpose of making assessment under the Act, the Assessing Officer may serve a notice on any person who has made a return under section 139 to produce or cause to be produced such accounts or documents as the Assessing Officer may require.

It is proposed to include a reference in the said sub-section to a return of fringe benefits made under the proposed section 115WD of this Act.

Clause 37 of the Bill seeks to insert a new Chapter XII-H relating to income-tax on fringe benefits. The proposed amendments are therefore consequential in nature.

These amendments will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 45 seeks to amend section 153 of the Income-tax Act relating to the time limit for completion of assessments and reassessments.

It is proposed to insert sub-section (1A) in the said section so as to provide that no order of assessment shall be made under the proposed new section 115WE or new section 115WF at any time after the expiry of two years from the end of the assessment year in which the fringe benefits was first assessable.

It is further proposed to insert sub-section (1B) in the said section so as to provide that no order of assessment or reassessment shall be made under the proposed new section 115WG after the expiry of one year from the end of the financial year in which the notice under the new section 115WH was served.

It is also proposed to amend sub-section (2A) and sub-section (3) of the said section so as to give the reference of newly inserted sub-sections (1A) and (1B) therein.

Clause 37 of the Bill seeks to insert a new Chapter XII-H relating to income-tax on fringe benefits. The proposed amendments are therefore consequential in nature.

These amendments will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 46 seeks to amend section 153B of the Income-tax Act relating to time-limit for completion of assessment under section 153A.

Clause (a) of sub-section (1) of the said section 153B confers power upon the Assessing Officer to make an order of assessment or reassessment of total income of six assessment years preceding the assessment year relevant to the previous year in which search is conducted or requisition is made, within a period of two years from the end of the financial year in which the last of the authorisations for search under section 132 or for requisition under section 132A was executed. Clause (b) of the said sub-section confers power upon the Assessing Officer to make an order of assessment or reassessment of total income of the assessment year relevant to the previous year in which search is conducted or requisition is made, within a period of two years from the end of the financial year in which the last of the authorisations for search under section 132 or for requisition under section 132A was executed.

The time-limit provided in the aforesaid clause (a) and clause (b) is also applicable for making assessment or reassessment in case of other person referred to in section 153C. It is proposed to insert a proviso to sub-section (1) of the said section 153B so as to provide that in case of such other person, the time limit for making

assessment or reassessment of total income of the assessment years referred to in clause (a) and clause (b) of said sub-section, shall be the time limit of two years from the end of the financial year in which the last of authorisation for search under section 132 or for requisition under section 132A was executed or one year from the end of the financial year in which books of account or documents or assets seized or requisitioned are handed over under section 153C to the Assessing Officer having jurisdiction over such other person, whichever is later.

This amendment will take effect retrospectively from 1st June, 2003 and will, accordingly, apply in relation to a search initiated under section 132 or in relation to books of account, other documents or any assets requisitioned under section 132A after 31st May, 2003.

Clause 47 seeks to amend section 153C of the Income-tax Act relating to assessment of income of any other person.

Under the existing provisions of section 153A, where the Assessing Officer is satisfied that books of account or documents or assets seized under section 132 or requisitioned under section 132A belong to a person other than a person in whose case search under section 132 or requisition under section 132A was made, he shall handover the same to the Assessing Officer having jurisdiction over such other person and that Assessing Officer shall proceed against such other person under section 153A. Second proviso to section 153A provides that assessment or reassessment, if any, relating to any assessment year falling within the period of six assessment years referred to in the said section pending on the date of initiation of the search under section 132 or making of requisition under section 132A, as the case may be, shall abate.

It is proposed to amend the said section so as to provide that in case of such other person, the reference to the date of initiation of the search under section 132 or making of requisition under section 132A in the second proviso to section 153A shall be construed as reference to the date of receiving the books of account or documents or assets seized or requisitioned by the Assessing Officer having the jurisdiction over such other person.

It is further proposed to insert a new sub-section (2) so as to provide that for assessment year relevant to the previous year in which search is conducted under section 132 or requisition is made under section 132A in case of other person, where (a) no return of income has been furnished by such person and no notice under sub-section (1) of section 142 has been issued to him, or (b) a return of income has been furnished by such person but no notice under sub-section (2) of section 143 has been served and limitation of serving the notice under

sub-section (2) of section 143 has expired, or (c) assessment or reassessment, if any, has been made, before the date of receiving the books of account or documents or assets seized or requisitioned by the Assessing Officer having jurisdiction over such other person, such Assessing Officer shall issue the notice and assess or reassess total income of such other person for such assessment year in the manner provided in section 153A. The provisions of proposed new sub-section (2) would apply where books of account or documents or assets seized or requisitioned referred to in sub-section (1) has been received by the Assessing Officer having jurisdiction over such other person after the due date for furnishing the return of income for the assessment year relevant to the previous year in which search is conducted under section 132 or requisition is made under section 132A.

This amendment will take effect retrospectively from 1st June, 2003 and will, accordingly, apply in relation to a search initiated under section 132 or in relation to books of account, other documents or any assets requisitioned under section 132A after the 31st May, 2003.

Clause 48 seeks to amend section 194A of the Income-tax Act relating to interest other than "interest on securities".

The existing provisions of sub-section (3) of the said section provide that the provisions of sub-section (1) of said section shall not apply in respect of certain income or receipts. It is proposed to amend the said sub-section (3) so as to provide that provisions of sub-section (1) shall not be applicable in respect of income paid or payable on a zero coupon bond issued by an infrastructure capital company or infrastructure capital fund or public sector company on or after 1st June, 2005. It is also proposed to amend the *Explanation* to sub-section (3) so as to provide that the expression "infrastructure capital company" and "infrastructure capital fund" shall have the same meanings respectively assigned to them in clause (a) and clause (b) of *Explanation 1* to clause (23G) of section 10.

This amendment will take effect from 1st June, 2005.

Clause 49 seeks to amend section 194C of the Income-tax relating to deduction of tax at source on payments to contractors and sub-contractors.

The existing provisions contained in clause (i) of sub-section (3) of the said section provides that no deduction of tax shall be made under sub-section (1) or sub-section (2) of the aforesaid section where the amount of any sum credited or paid or likely to be credited or paid to the account of, or to, the contractor or sub-contractor, if the sum so credited or paid does not exceed twenty thousand rupees. However, where the aggregate of

amounts of such sums credited or paid or likely to be credited or paid, during the financial year exceeds fifty thousand rupees, the person responsible for paying such sums referred to in sub-section (1) or, as the case may be, sub-section (2) shall be liable to deduct income-tax under this section.

It is proposed to amend the said clause (i) so as to provide that deduction of tax at source shall not be made on the amount of any sum credited or paid or likely to be credited or paid, during the course of business of plying, hiring or leasing goods carriages, to a sub-contractor being an individual and not owning more than two goods carriages at any time during the previous year. Such sub-contractor is required, however, to furnish a declaration as may be prescribed to the person paying or crediting such sum. The person responsible for making payment to the sub-contractor shall also furnish to the prescribed income-tax authority or to the persons authorised by such authority, the prescribed particulars in the prescribed form and within the prescribed time.

This amendment will take effect from 1st June, 2005.

Clause 50 seeks to amend section 199 relating to credit for tax deducted.

Under the existing provisions contained in sub-section (3) of the said section, the amount of tax deducted on or after 1st April, 2005, and paid to the credit of the Central Government and specified in the statement referred to in section 203AA shall be treated as tax paid on behalf of the persons from whose income the amount of tax has been deducted and credit is given to him in the assessment without the production of certificate.

The proposed amendment seeks to provide that the credit for the amount of tax deducted and paid to the Central Government shall also be allowed on the basis of a certificate of deduction of tax furnished in respect of tax deducted on or after 1st April, 2005 and before 1st April, 2006.

This amendment will take effect from 1st April, 2005.

Clause 51 seeks to amend section 203 relating to certificate for tax.

Under the existing provisions contained in sub-section (3) there is no requirement to furnish a certificate referred to in sub-section (1) or sub-section (2) for the tax deducted or paid on or after 1st April, 2005 in accordance with the provisions of Chapter XVII.

It is proposed to extend the said date up to 1st April, 2006 to provide that in a case where tax has been deducted or paid on or after 1st April, 2006, there shall be no requirement to furnish the certificate of deduction of tax at source to the deductee.

This amendment will take effect from 1st April, 2005.

Clause 52 seeks to insert a new section 206A in the Income-tax Act relating to furnishing of quarterly return in respect of payment of interest to residents without deduction of tax.

The proposed new section 206A seeks to provide that any banking company or cooperative society or public company referred to in the proviso to clause (i) of sub-section (3) of section 194A responsible for paying to a resident any income not exceeding five thousand rupees by way of interest (other than interest on securities), shall prepare quarterly returns for the period ending on the 30th June, the 30th September, the 31st December and the 31st March in each financial year and deliver or cause to be delivered to the prescribed income-tax authority or the person authorised by such authority the quarterly returns as aforesaid, verified in such manner and within such time as may be prescribed, on a floppy, diskette, magnetic cartridge tape, CD-ROM or any other computer readable media.

It is further provided that the Central Government may, by notification in the Official Gazette, require any person other than a person mentioned in sub-section (1) responsible for paying to a resident any income liable for deduction of tax at source under Chapter XVII, to prepare and deliver or cause to be delivered quarterly returns in the prescribed form and verified in such manner and within such time as may be prescribed, to the prescribed income-tax authority or the person authorized by such authority on a floppy, diskette, magnetic cartridge tape, CD-ROM or any other computer readable media.

This amendment will take effect from 1st June, 2005.

Clause 53 seeks to amend section 206C relating to profits and gains from the business of trading in alcoholic liquor, forest produce, scrap, etc.

Under the existing provisions contained in the proviso to sub-section (4) of the said section the credit for the amount of tax collected is allowed to the person on whose behalf tax has been collected on or after 1st April, 2005 on the basis of the amount specified in the annual statement referred to in the second proviso to sub-section (5) of the aforesaid section and a certificate of collection of tax is not required to be produced along with the return of income for claiming credit for tax collected at source. The first proviso to sub-section (5) of section 206C does not require the tax collector to furnish a certificate to the collectee for taxes collected on or after 1st April, 2005.

The proposed amendment seeks to extend the date to 1st April, 2006 to provide that a certificate of collection

of tax is not required to be produced along with the return of income for claiming credit for tax collected at source in the assessment for the taxes collected on or after 1st April, 2006 and there is no requirement of furnishing a certificate by the collector in respect of taxes collected on or after 1st April, 2006.

This amendment will take effect from 1st April, 2005.

Clause 54 seeks to amend section 238 of the Income-tax Act relating to the person entitled to claim refund in certain special cases.

The existing provisions of the said section, *inter alia*, provide that where the income of one person is included under any provision of this Act in the total income of any other person, the latter alone shall be entitled to a refund in respect of such income.

It is proposed to insert a new sub-section (1A) so as to provide that where the value of fringe benefits provided or deemed to have been provided by one employer is included in the value of fringe benefits provided or deemed to have been provided by any other employer, the latter alone shall be entitled to a refund in respect of such fringe benefits.

Clause 37 of the Bill seeks to insert a new Chapter XII-H relating to income-tax on fringe benefits. The proposed amendments are therefore consequential in nature.

These amendments will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 55 seeks to amend section 239 of the Income-tax Act relating to the form of claim for refund and limitation.

Under the existing provisions contained in the said section, every claim for refund is to be made within one year from the last day of the assessment year.

It is proposed to insert a new clause (d) in sub-section (2) of the said section so as to provide that the claim for refund in respect of fringe benefits assessable for any assessment year commencing on or after the first day of April, 2006, shall be made within one year from the last day of such assessment year.

Clause 37 of the Bill seeks to insert a new Chapter XII-H relating to income-tax on fringe benefits. The proposed amendments are therefore consequential in nature.

These amendments will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 56 seeks to amend section 244A of the Income-tax Act relating to interest on refunds.

Under the existing provisions contained in sub-section (1) of the said section, where refund of any amount becomes due to the assessee under the Act, the assessee is entitled to receive, in addition to the said amount, simple interest thereon at the rate of one-half percent, for every month or part of a month comprised in the period of delay specified in the said section. Sub-section (4) provides that the provisions of this section shall apply in respect of assessments for the assessment year commencing on the 1st day of April, 1989 and subsequent assessment years.

It is proposed to amend the said section so as to include a reference to any tax paid under the proposed new section 115WJ and also to provide that in respect of assessment of fringe benefits, the provisions of section 244A shall apply in respect of assessments for the assessment year commencing on the 1st day of April, 2006 and subsequent assessment years.

It is also proposed to include a reference to an order under sub-section (3) of section 115WE or section 115WF or section 115WG in sub-section (3) of sub-section 244A.

Clause 37 of the Bill seeks to insert a new Chapter XII-H relating to income-tax on fringe benefits. The proposed amendments are therefore consequential in nature.

These amendments will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-07 and subsequent years.

Clause 57 seeks to amend section 246A of the Income-tax Act relating to appealable orders before Commissioner (Appeals).

The existing provisions contained in the said section, *inter alia*, provide for appeal by an assessee to the Commissioner (Appeals) against an order under sections 143(3), 147, 150, etc., of the Act.

It is proposed to insert two new clauses (aa) and (ab) in sub-section (1) of the said section so as to provide for appeal by the assessee, being an employer, against the value of fringe benefits assessed in an order of assessment under sub-section (3) of the proposed new section 115WE or section 115WF, or an order of assessment or reassessment under section 115WG.

It is further proposed to amend sub-clause (B) of clause (j) in sub-section (1) of the said section so as to include a reference to an order under the new section 271FB.

Clause 37 of the Bill seeks to insert a new Chapter XII-H relating to income-tax on fringe benefits. The proposed amendments are therefore consequential in nature.

These amendments will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-07 and subsequent years.

Clause 58 seeks to amend section 271 of the Income-tax Act relating to the failure to furnish returns, comply with notices, concealment of income, etc.

Under the existing provisions contained in sub-section (1) of the said section, if the Assessing Officer or the Commissioner (Appeals), in the course of any proceedings under the Act, is satisfied that any person has failed to comply with a notice under sub-section (1) of section 142 or sub-section (2) of section 143 or fails to comply with a direction issued under sub-section (2A) of section 142 of the said Act, he may direct that such person shall pay by way of penalty, in addition to any tax payable by him, a sum which shall not be less than ten thousand rupees for each such failure.

It is proposed to amend the said section so as to include a reference to sub-section (2) of the proposed new section 115WD and sub-section (2) of new section 115WE and provide that any references in section 271 to income shall be construed as references to the income or fringe benefits, as far as may be, and the provisions of the said section shall apply in relation to any assessment in respect of fringe benefits also.

Clause 37 of the Bill seeks to insert a new Chapter XII-H relating to income-tax on fringe benefits. The proposed amendments are therefore consequential in nature.

These amendments will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-07 and subsequent years.

Clause 59 of the Bill seeks to insert a new section 271FB of the Income-tax Act relating to penalty for failure to furnish a return of fringe benefits.

It is proposed to provide that where an employer who is required to furnish a return of fringe benefits under sub-section (1) of the proposed new section 115WD, fails to furnish such return within the prescribed time, he shall be liable to pay, by way of penalty, a sum of one hundred rupees for every day during which the failure continues.

Clause 37 of the Bill seeks to insert a new Chapter XII-H relating to income-tax on fringe benefits. The proposed amendments are therefore consequential in nature.

These amendments will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-07 and subsequent years.

Clause 60 seeks to amend section 272A of the Income-tax Act relating to penalty for failure to answer questions,

sign statements, furnish information, returns or statements, allow inspections, etc.

The proposed amendment seeks to insert a new clause (l) in sub-section (2) in the said section to provide that where any person notified by the Central Government in this regard fails to deliver or cause to be delivered the quarterly return within the time prescribed in sub-section (1) of section 206A, he shall pay, by way of penalty, a sum of one hundred rupees for every day of such default.

This amendment will take effect from 1st June, 2005.

Clause 61 seeks to amend section 273B of the Income-tax Act relating to penalty not to be imposed in certain cases.

The existing provisions contained in the said section, *inter alia*, provide that no penalty under sections 271A, 271B, 271C, 271D, 271F, etc shall be imposed on any person if he proves that there was reasonable cause for the said failure.

The proposed amendment seeks to include a reference to the proposed new section 271FB in the said section.

Clause 37 of the Bill seeks to insert a new Chapter XII-H relating to income-tax on fringe benefits. The proposed amendment is therefore consequential in nature.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-2007 and subsequent years.

Clause 62 of the Bill seeks to amend section 276CC of the Income-tax Act relating to failure to furnish returns of income.

The existing provisions contained in the said section, *inter alia*, provide that if any person will fully fails to furnish the return of income under sub-section (1) of section 139 or section 148 in due time, he shall be punishable with rigorous imprisonment for a term not less than six months but which may extend to seven years in a case where the amount of tax, penalty or interest evaded exceeds one hundred thousand rupees.

The proposed amendments seek to include references to sub-section (1) and sub-section (2) of the proposed new section 115WD and section 115WH in the said section.

Clause 37 of the Bill seeks to insert a new Chapter XII-H relating to income-tax on fringe benefits. The proposed amendments are therefore consequential in nature.

These amendments will take effect from 1st April, 2006 and will, accordingly, apply in relation to the

assessment year 2006-07 and subsequent years.

Clause 63 seeks to amend section 278 of the Income-tax Act relating to abetment of false return, etc.

The existing provisions contained in the said section, *inter alia*, provide that if a person abets or induces another person to make and deliver an account or statement or declaration relating to any income chargeable to tax which is false, he is liable for punishment with rigorous imprisonment for a term not less than six months but which may extend to seven years in a case where the amount of tax, penalty or interest evaded exceeds one hundred thousand rupees.

It is proposed to amend the said section so as to substitute the words "any income chargeable to tax" by the words "any income or any fringe benefits chargeable to tax".

Clause 37 of the Bill seeks to insert a new Chapter XII-H relating to income-tax on fringe benefits. The proposed amendment is therefore consequential in nature.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-07 and subsequent years.

Clause 64 seeks to amend section 295 of the Income-tax Act relating to rule making powers of the Board.

It is proposed to omit clause (e) of sub-section (2) of the said section relating to the percentage or the amount to be prescribed under clause (i) of sub-section (4) of section 80C as this clause is redundant.

Clause 21 of the Bill proposes to insert a new section 80C relating to deduction in respect of life insurance premia, deferred annuity, contributions to provident fund, subscription to certain equity shares or debentures, etc. The proposed amendment is therefore consequential in nature.

This amendment will take effect from 1st April, 2006 and will, accordingly, apply in relation to the assessment year 2006-07 and subsequent years.

Customs

Clause 65 seeks to amend section 28E of the Customs Act, 1962, which deals with the Authority for Advance Rulings, so as to,—

(i) enable a joint venture in India to obtain an advance ruling, and

(ii) to empower the Central Government to notify any class or category of persons who can apply for an advance ruling under clause (c).

Clause 66 seeks to amend sub-section (1) of section 28F to change the name of the Authority for Advance

Rulings as the Authority for Advance Rulings (Central Excise, Customs and Service Tax).

Clause 67 seeks to amend section 28H of Customs Act, to insert clause (e) in sub-section (2), to provide for an application to seek advance ruling on determination on Rules of Origin, of goods that are exported from or imported into India, by the Authority for Advance Rulings (Central Excise, Customs and Service Tax).

Clause 68 seeks to amend section 127MA of the Customs Act, so as to exclude the provisions of sub-section (1) of section 127-I from the provisions of sub-section (6) and to insert sub-section (8) to provide for sending a case back to the Tribunal by the Settlement Commission in the event of non co-operation by an applicant.

Clause 69 seeks to amend sub-section (5) of section 128A of the Customs Act, so as to provide that an order passed by a Commissioner of Customs (Appeal) shall be communicated to the Chief Commissioner.

Clause 70 seeks to amend section 129A of the Customs Act, so as to empower the Board to constitute a Committee consisting of two Chief Commissioners by notification for the purposes of giving direction to the proper officer to appeal on its behalf.

Clause 71 seeks to amend section 129D of the Customs Act, to empower the Chief Commissioner of Customs to call for and examine the record of any proceedings in which a Commissioner of Customs has passed any decision or order.

Clause 72 seeks to substitute section 3 of the Customs Tariff Act, 1975 to enable the Central Government also to levy an additional duty not exceeding 4 per cent. *ad valorem* on imported articles, as would counter balance the sales tax, value added tax, local taxes and other charges, leviable on such articles or like articles on their sale or purchase or transportation in India.

Clause 73 seeks to omit section 3A of the Customs Tariff Act, 1975.

Clause 74 seeks to amend the First Schedule to the Customs Tariff Act so as to—

(a) reduce the basic customs duty in respect of goods falling under the Chapters, headings, sub-headings and tariff items, namely:—

Chapters 25 (except heading 2510), 26 (tariff items 2620 11 00, 2620 19 00, 2620 30 10 and 2620 30 90), 27 (except tariff items 2701 12 00, 2701 20 10, 2701 20 90, 2709 00 00 and 2716 00 00 and headings 2702, 2703, 2704, 2711 and 2714), 28 (except tariff items 2801 20 00, 2812 10 10, 2812 10 21, 2812 10 22, 2812 10 41, 2812 10 42, 2812 10 43, 2812 10 47, 2812 10 60, 2814 10 00, 2814 20 00, 2845 10 00, 2851 00 91 and 2851 00 99), 29 (except

tariff items 2901 10 00, 2901 21 00, 2901 22 00, 2901 23 00, 2901 24 00, 2901 29 10, 2901 29 20, 2901 29 90, 2902 11 00, 2902 19 00, 2902 20 00, 2902 30 00, 2902 41 00, 2902 42 00, 2902 43 00, 2902 44 00, 2902 50 00, 2902 60 00, 2902 70 00, 2902 90 10, 2902 90 20, 2902 90 30, 2902 90 40, 2902 90 50, 2902 90 90, 2903 15 00, 2903 21 00, 2903 30 11, 2903 30 19, 2904 90 80, 2905 19 10, 2905 19 90, 2905 43 00, 2905 44 00, 2918 19 10, 2918 19 90, 2920 10 10, 2920 10 20, 2920 90 41, 2920 90 42, 2920 90 43, 2920 90 44, 2920 90 45, 2920 90 47, 2920 90 48, 2920 90 51, 2920 90 52, 2920 90 53, 2920 90 54, 2920 90 55, 2920 90 56, 2920 90 57, 2920 90 58, 2920 90 61, 2920 90 62, 2920 90 63, 2920 90 64, 2920 90 65, 2920 90 66, 2920 90 99, 2921 19 11, 2921 19 14, 2921 19 90, 2922 11 11, 2922 11 12, 2922 11 13, 2922 11 14, 2922 11 15, 2922 11 16, 2922 11 90, 2922 12 11, 2922 12 12, 2922 12 90, 2922 19 10, 2922 19 20, 2922 19 30, 2922 19 90, 2926 10 00, 2930 90 91, 2930 90 99, 2933 39 30, 2939 29 10, 2939 29 90), 30 (except tariff items 3006 60 10, 3006 60 20 and 3006 60 30), 31 (except tariff items 3102 21 00, 3102 50 00, 3104 30 00, 3105 20 00, 3105 30 00, 3105 40 00, 3105 51 00, 3105 59 00, 3105 60 00, 3105 90 10 and 3105 90 90), 32 (except heading 3201), 33 (except heading 3301 and sub-heading 3302 10), 34, 35 (except headings 3501, 3502, 3503, 3504 and 3505), 36, 37 (except tariff items 3701 20 00 and 3702 20 00), 38 (except tariff items 3809 10 00, 3818 00 10, 3818 00 90, 3824 60 10, 3824 60 90 and heading 3823), 39, 40 (except tariff items 4001 10 10, 4001 10 20, 4001 21 00, 4001 22 00 and 4011 30 00 and sub-heading 4001 29), 41 (except headings 4101, 4102 and 4103), 42, 43 (headings 4303 and 4304), 44 (except headings 4401, 4402 and 4403), 45, 46, 48 (except tariff items 4801 00 10 and 4801 00 90), 49 (except tariff items 4902 10 10, 4902 10 20, 4902 90 10, 4902 90 20, 4904 00 00, 4905 10 00, 4905 91 00, 4905 99 10 and 4905 99 90), 50 (headings 5004, 5005, 5006 and 5007), 51 (except tariff item 5105 29 10 and headings 5101, 5102, 5103 and 5104), 52 (except headings 5201, 5202 and 5203), 53 (except headings 5301 and 5302), 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 76 (heading 7615), 78, 79, 81, 82, 83, 84 (except sub-heading 8471 70 and tariff items 8407 21 00 and 8456 91 00), 85 (except tariff items 8532 21 00, 8532 24 00, 8532 90 00, 8533 90 00, 8540 40 00, 8541 90 00, 8543 11 00 and heading 8542), 86, 87 (except tariff item 8710 00 00), 88 (except tariff items 8802 20 00, 8802 30 00, 8802 40 00, 8803 10 00, 8803 20 00 and 8803 30 00), 89 (except tariff item 8908 00 00), 90 (except tariff items 9010 41 00, 9010 42 00, 9010 49 00, 9030 82 00 and 9031 41 00), 91, 92, 93, 94, 95, 96, 97 (except heading 9704) and 98;

(b) increase the basic customs duty in respect of articles falling under Chapter 6 (heading 0603);

(c) reduce the basic customs duty, for preferential areas, in respect of articles falling under the Chapters,

headings, sub-headings and tariff items, namely:—

Chapters 25 (heading 2504), 29 (tariff items 2939 41 10, 2939 41 20, 2939 41 90, 2939 42 00, 2939 43 00, 2939 49 00, 2939 51 00 and 2939 59 00 and headings 2936, 2937 and 2941), 30 (except headings 3005 and 3006), 34 (tariff items 3402 11 10, 3402 11 90, 3402 12 00, 3402 13 00 and 3402 19 00) and 38 (tariff items 3801 10 00, 3802 10 00, 3812 10 00).

Clause 75 seeks to insert sub-section (1A) in section 5A of the Central Excise Act, 1944 to provide that in respect of goods exempted absolutely from excise duty, the manufacturer shall not pay duty on such goods.

Clause 76 seeks to amend section 23A of the Central Excise Act, 1944, so as to,—

(a) (i) include a joint venture in India as an “applicant” and (ii) to empower the Central Government to notify any class or category of persons as an “applicant” in clause (c);

(b) change the name of the nomenclature for the “Authority for Advance Ruling” as “Authority for Advance Ruling (Central Excise, Customs and Service Tax)” in clause (e).

Clause 77 seeks to amend section 32PA of the Central Excise Act, so as to exclude provisions of sub-section (1) of section 32L, from the provision of sub-section (6) and to insert new sub-section (8) to provide for sending a case back to the Tribunal by the Settlement Commission in the event of non co-operation by an applicant.

Clause 78 seeks to amend sub-section (5) of section 35A of the Central Excise Act, so as to provide that an order passed by a Commissioner of Central Excise (Appeals) shall be communicated to the Chief Commissioner of Central Excise.

Clause 79 seeks to amend section 35B, so as to,—

(a) insert sub-section (1B) to empower the Central Board of Excise and Customs constituted under the Central Boards of Revenue Act, 1963 (54 of 1963) to constitute a Committee consisting of two Chief Commissioners of Central Excise for the purposes of giving direction to the proper officer to appeal in its behalf;

(b) replace the word “Commissioner of Central Excise” appearing in sub-section (2) as “The Committee of Chief Commissioners of Central Excise”.

Clause 80 seeks to substitute the word “Board” appearing in section 35E as “Committee of Chief Commissioners of Central Excise”.

Clause 81 seeks to substitute the Third Schedule to the Central Excise Act consequent to enactment of the Central Excise Tariff (Amendment) Act, 2004.

Clause 82 seeks to amend rules 57CC and 57AD, of the Central Excise Rules, 1944 in the manner specified in the Fourth Schedule with retrospective effect so as to incorporate recovery provisions for the amount specified in the said rules.

Clause 83 seeks to amend rule 6 of CENVAT Credit Rules, 2001 in the manner specified in the Fifth Schedule with retrospective effect so as to incorporate recovery provisions for the amount specified in the said rule.

Clause 84 seeks to amend notification number 88/88-Central Excise, dated the 1st March 1988, published in the Gazette of India vide No. G.S.R. 277(E), dated the 1st March, 2003, with retrospective effect so as to make applicable the definition of ‘rural area’ as provided in clause (ff) of section 2 of the Khadi and Village Industries Commission Act, 1956 (61 of 1956) for the purposes of exemption under said notification, for the period on and from the 28th February, 2000 to the 28th February, 2003.

Clause 85 seeks to levy additional duty of excise for the purposes of Union as a surcharge on the goods specified in Seventh Schedule at the rates specified therein.

Clause 86 seeks to amend the First Schedule and the Second Schedule to the Central Excise Tariff Act, 1985 in the manner given in the Eighth and Ninth Schedules respectively.

Clause 87 seeks to insert a Chapter NOTE in Chapter 15 of the First Schedule to the Central Excise Tariff Act, 1985, with retrospective effect from 1st day of March, 1986 up to 28th day of February, 2005, so as to provide that in respect of refined edible oils the process of refining shall amount to manufacture.

Clause 88 seeks to amend Chapter V of the Finance Act, 1994 relating to service tax in the following manner, namely:—

(i) sub-clauses (a) and (b) seek to amend section 65 and section 66 of the Finance Act, 1994 so as to modify the scope of certain existing taxable services and to impose service tax on the following services provided or to be provided by—

(a) any person in relation to transport of goods other than water, through pipeline or other conduit;

(b) any person in relation to site formation and clearance, excavation and earthmoving and demolition and such similar activities;

(c) any person in relation to dredging;

(d) any person, other than by an agency under the control of, or authorised by, the Government in relation to survey and map-making;

(e) any person in relation to cleaning activity;

(f) any club or association, in relation to provision of services, facilities or advantages for a subscription or any other amount;

(g) any person, in relation to packaging activity;

(h) any person in relation to mailing list compilation and mailing;

(i) any person, in relation to construction of complex.

Service tax is sought to be levied on the above taxable services at the rate of ten per cent. of the gross amount charged for such services provided or to be provided by the service provider to any person;

(ii) sub-clause (c) seeks to amend section 67 so as to provide that gross amount charged shall include any amount received towards the taxable service before, during or after provision of such service;

(iii) sub-clause (d) seeks to amend section 69 so as to provide that the Central Government may, by notification in the Official Gazette, specify such person or such class of persons, other than the person liable to pay service tax, who shall make an application for registration within such time and in such manner and in such form as may be prescribed;

(iv) sub-clause (e) seeks to amend section 70 so as to provide that notified person or class of person, other than the person liable to pay service tax, shall furnish to the Superintendent of the Central Excise, a return in such form and in such manner and at such frequency as may be prescribed;

(v) sub-clause (f) seeks to amend section 73 so as to empower the Central Excise Officer to serve notice and determine the amount of service tax due in case any service tax has not been levied or paid or has been short-levied or short-paid or erroneously refunded;

(vi) sub-clause (g) seeks to amend section 74 so as to empower the Central Excise Officer to amend the order passed by him with a view to rectify any mistake apparent from the record;

(vii) sub-clause (h) seeks to amend section 78 so as to provide that where service tax determined under sub-section (2) of section 73 and interest payable under section 75, is paid within thirty days from the date of communication of the order of the Central Excise Officer determining such service tax the amount of penalty liable to be paid would be twenty-five per cent. of service tax so determined;

(viii) sub-clause (i) seeks to amend section 83 so as to make applicable section 33A of the Central Excise Act, 1944 in relation to service tax;

(ix) sub-clause (j) seeks to insert section 83A so as to provide power of adjudication in service tax cases;

(x) sub-clause (k) seeks to amend section 84 so as to empower the Commissioner of Central Excise to call for the records of a proceeding of any decision or order passed by an adjudicating authority subordinate to him, and make inquiries or cause such inquiries to be made and pass such order thereon as he thinks fit;

(xi) sub-clause (l) seeks to amend section 85 so as to provide that any person aggrieved by any decision or order passed by an adjudicating authority subordinate to the Commissioner of Central Excise may appeal to the Commissioner of Central Excise (Appeals);

(xii) sub-clause (m) seeks to amend section 86 so as to provide that appeal against an order passed by the Commissioner of Central Excise under section 73 or section 83A or section 84 can be made to Appellate Tribunal and that the Commissioner of Central Excise may direct any Central Excise Officer, on his behalf, to appeal to Appellate Tribunal against any orders passed by Commissioner of Central Excise (Appeals);

(xiii) sub-clause (n) seeks to amend section 94 so as to empower the Central Government to make rules in respect of time within which and the manner and the form in which application for registration shall be made under sub-sections (1) and (2) of section 69 and the form in which and the manner in which and the frequency of the returns to be furnished under sub-sections (1) and (2) of section 70.

Clause 89 seeks to amend section 2 of the Central Sales Tax Act, 1956 to provide for deductions to be made from total consideration in respect of works contracts to arrive at the sale price, to include VAT legislations of the States within the ambit of the definition of "sales tax-law" and "general sales tax law", and to define the term "works contract".

Clause 90 seeks to make submission of declaration in the prescribed form so as to enjoy the benefit under section 5(3) of the Central Sales Tax Act and seeks to treat the sale of Aviation Turbine Fuel to any designated Indian carrier for its international flight as deemed export.

Clause 91 seeks to substitute the existing section 6(3) of the Central Sales Tax Act, 1956 to provide for exemption from payment of Central Sales Tax on Inter-State sale of goods to diplomatic missions, United Nations and their diplomats for their official and personal use.

Clause 92 seeks to amend section 13 of the Central Sales Tax Act to empower the Government to make rules prescribing the deductions from the total consideration for a works contract in order to determine the sale price.

Banking Cash Transaction Tax

Chapter VII (containing clauses 93 to 112) provides for levy of a tax on certain banking cash transactions entered into with any scheduled bank.

Clause 93 of the Bill deals with the extent, commencement and application of the Chapter. This proposed Chapter extends to the whole of India except the State of Jammu and Kashmir. It shall come into force on 1st June, 2005.

Clause 94 of the Bill defines various terms and expressions like "Appellate Tribunal", "Assessing Officer", "Board", "person", "scheduled bank", "taxable banking transaction", etc., used in the Chapter.

Sub-clause (8) defines taxable banking transactions to mean – (i) withdrawal of cash (by whatever mode) exceeding ten thousand rupees on any single day by a person from any scheduled bank, or (ii) purchase of Bank draft, banker's cheque etc. of an aggregate amount exceeding ten thousand rupees on any single day by a person from a scheduled bank out of cash deposited with such bank, or (iii) receipt of cash exceeding ten thousand rupees on a single day by a person on encashment of time deposits with a scheduled bank. The other definitions are self-explanatory.

Clause 95 of the Bill seeks to make a provision for the charging of a tax called "banking cash transaction tax" at the rate of 0.1 per cent. of the value of each taxable banking transaction entered into with any scheduled bank and such tax shall be payable by the person who withdraws the cash from a scheduled bank or purchases bank draft, banker's cheque, etc. from a scheduled bank out of cash deposited with such bank or receives cash on encashment of term deposit with a scheduled bank or encashes a bearer cheque to whom the payment is made in cash by the scheduled bank. However, no such tax shall be payable if the amount of term deposit is credited to any account with bank.

Clause 96 of the Bill provides for the value of taxable banking transactions. The value of a taxable banking transaction shall be – (i) the amount of cash withdrawn from a scheduled bank, or (ii) the amount of cash deposited with a scheduled bank for purchase of a bank draft or banker's cheque, etc., or (iii) the amount of cash received on encashment of term deposit with a scheduled bank.

Clause 97 of the Bill provides for collection and recovery of banking cash transaction tax by a scheduled bank. The amount of banking cash transaction tax collected by the scheduled bank has to be paid to the credit of the Central Government by the fifteenth day of the month following the month in which the banking cash transaction tax is collected.

Clause 98 of the Bill provides for furnishing of prescribed return to the Assessing Officer. Sub-clause (1) lays down that the scheduled bank (assessee) would be responsible for collection of banking cash transaction tax and for filing returns. Such returns in respect of all taxable banking transactions entered into during a financial year with that scheduled bank shall be in the form and manner and setting-forth such particulars as may be specified in the rules made under the Chapter.

Sub-clause (2) confers power on the Assessing Officer to issue notice requiring any assessee who is responsible for collection of banking cash transaction tax, and has not furnished the return, to furnish such return within such time as may be specified in the notice.

Sub-clause (3) provides for furnishing a return or a revised return before the assessment is made, in case any assessee has not furnished any return within the time allowed or on discovery of any omission or wrong statement in the return earlier furnished.

Clause 99 of the Bill contains provisions relating to assessment of the taxable banking transactions and the banking cash transaction tax payable or refundable on the basis of such assessment. It further provides that no assessment shall be made after the expiry of two years from the end of the relevant financial year. It also provides that the amount refunded to the assessee should be returned to the person from whom it was collected within the time laid down by rules.

Clause 100 of the Bill provides for rectification of mistakes apparent from record of any order passed by the Assessing Officer within one year from the end of the financial year in which the order sought to be amended was passed. The Assessing Officer may rectify mistakes either *suo motu* or at the instance of the assessee. Further, any amendment which has the effect of enhancing an assessment or reducing a refund or otherwise increasing the liability of the assessee shall be made only after giving the assessee a reasonable opportunity of being heard.

Clause 101 of the Bill provides for payment of simple interest at the rate of one per cent. for every month or part of a month where the banking cash transaction tax collected is not credited to the account of the Central Government within the period specified in clause 97.

Clause 102 of the Bill provides for imposition of penalty on the scheduled bank responsible to collect banking cash transaction tax for its failure to collect the tax or for failure to credit the same to the account of the Central Government. The penalty would be a sum equal to the amount of the banking cash transaction tax not collected in a case where the assessee fails to collect whole or any part of the banking cash transaction tax. In other cases, such penalty imposed will be one thousand

rupees for every day of failure to pay the banking cash transaction tax to the credit of the Central Government. However, the penalty imposable under this clause shall not exceed the amount of the banking cash transaction tax that was to be paid.

Clause 103 of the Bill provides for penalty for failure to furnish return under clause 98. The penalty in such cases will be one hundred rupees for every day during which the failure continues.

Clause 104 of the Bill relates to the penalty for failure to comply with notice. It provides that any assessee who fails to comply with notice issued under sub-clause (2) of clause 98, shall be liable to pay, by way of penalty, a sum of one hundred rupees for every day during which the failure continues.

Clause 105 of the Bill provides that no penalty will be imposable under clause 102, clause 103 or clause 104 if the assessee proves that there was reasonable cause for the failure to comply with the provisions of the said clause.

It is further proposed that no order imposing a penalty under this Chapter shall be made unless the assessee has been given a reasonable opportunity of being heard.

Clause 106 of the Bill provides that sections 120, 131, 133A, 156, 178, 220 to 227, 229, 232, 260A, 261, 262, 265 to 269, 278B, 282 and 288 to 293 of the Income-tax Act, 1961 which, *inter alia*, relate to issue of notice of demand, recovery and collection of tax, appeals to High Courts and the Supreme Court, appearance of authorised representatives, etc., will, so far as may be, apply in relation to banking cash transaction tax.

Clause 107 of the Bill provides for an appeal to the Commissioner of Income-tax (Appeals) when the assessee denies its liability to be assessed under this Chapter or against any order passed under clause 99 or clause 100 by an Assessing Officer. This clause contains provisions relating to time-limit for filing appeal, etc., and provides that the provisions of sections 249 to 251 of the Income-tax Act, 1961 will, as far as may be, apply in such cases.

Clause 108 of the Bill provides for appeal to the Appellate Tribunal against an order passed by a Commissioner of Income-tax (Appeals) under clause 107. This clause contains provisions relating to time-limit and procedure for filing appeal before the Appellate Tribunal. This clause also provides that where an appeal has been filed under this clause the provisions of sections 252 to 255 of the Income-tax Act, 1961 shall, as far as may be, apply.

Clause 109 of the Bill provides for punishment, by way of imprisonment up to a period of three years and with fine, for submitting any statement in any verification,

account or statement which is false. This clause also provides that an offence punishable under this clause shall be deemed to be non-cognisable within the meaning of the Code of Criminal Procedure, 1973.

Clause 110 of the Bill provides that no prosecution shall be initiated for an offence under clause 109 except with the prior sanction of the Chief Commissioner of the Income-tax.

Clause 111 of the Bill confers powers on the Central Government to make rules for the purposes of carrying out the provisions of this Chapter. This clause also provides that every rule made under this clause shall be laid before each House of Parliament.

Clause 112 of the Bill confers power on the Central Government to issue orders for removal of any difficulty arising in giving effect to the provisions of this Chapter. This power is available to the Central Government for a period of two years from the date on which the provisions of this Chapter come into force i.e. from 1st June, 2005. Every order made under this clause shall be laid before each House of Parliament.

Miscellaneous

Clause 113 seeks to amend the Government Savings Banks Act, 1873.

The said Act contains certain provisions relating to Government Savings Banks. Section 3 of the Act, *inter alia*, defines the expression "depositor". It is proposed to insert a proviso to the said definition so as to include individual investors only within the scope of definition of "depositor" on or after the date on which the Finance Bill, 2005 receives the assent of the President.

This amendment will take effect from the date on which the Bill receives the assent of the President.

Clause 114 seeks to amend the Indian Stamp Act, 1899 by substituting a new section 8B to provide that the scheme of corporatisation and demutualisation of existing stock exchanges and instruments relating to such scheme would not be liable to stamp duty.

Clause 115 seeks to amend section 2 of the Contingency Fund of India Act, 1950 relating to Contingency Fund.

It is proposed to enhance the corpus of the Contingency Fund of India from fifty crores of rupees to five hundred crores of rupees. The enhancement of the corpus of the Contingency Fund of India shall be effective from the date on which the Finance Bill, 2005 receives the assent of the President.

Clause 116 seeks to substitute the Schedule to the Additional Duties of Excise (Goods of Special Importance) Act, 1957 by the Tenth Schedule.

Clause 117 seeks to amend the Government Savings Certificates Act, 1959.

The said Act contains certain provisions relating to various savings certificates issued by the Central Government from time to time. Section 2 of the said Act defines various expressions used therein. It is proposed to define the expression "holder" so as to bring only an individual within the scope of "holder" in relation to savings certificates on or after the date on which the Finance Bill, 2005 receives the assent of the President. However, the amendment does not restrict investments made by juridical persons before the date on which the said Bill is enacted.

This amendment will take effect from the date on which the Bill receives the assent of the President.

Clause 118 seeks to substitute the Schedule to the Additional Duties of Excise (Textiles and Textile Articles) Act, 1978 by the Eleventh Schedule.

Clause 119 seeks to increase the rates of additional duty of customs and additional duty of excise on motor spirit commonly known as petrol.

Clause 120 seeks to increase the rates of additional duty of customs and additional duty of excise on high speed diesel oil.

Clause 121 seeks to amend section 10 of the Central Road Fund Act, 2000 for allocation of fifty paise out of per litre of the additional duties of customs or additional duties of excise the increased rate on motor spirit commonly known as petrol and high speed diesel oil levied as amended by clauses 119 and 120 of the Bill exclusively for the development and maintenance of highways. The additional duties of customs and additional duties of excise on petrol and diesel levied at the rates prior to the present amendment would continue to be allocated for different purposes as contained in sub-section (1) of section 10.

Clause 122 seeks to substitute the Seventh Schedule to the Finance Act, 2001.

Clause 123 seeks to amend the Finance Act, 2003 so as to extend the levy of National Calamity Contingent Duty on specified goods beyond 31st March, 2005, and

also to abolish additional duty of customs and additional duty of excise on tea and tea waste.

Clause 124 seeks to amend the Finance (No. 2) Act, 2004,—

Sub-clause (a) seeks to amend section 88 of the said Act so as to provide mechanism for the recovery of CENVAT credit of additional duty under the Additional Duties of Excise (Goods of Special Importance) Act, 1957 paid prior to 1.4.2000 and utilized for payment of CENVAT credit and interest thereon;

Sub-clause (b) seeks to amend section 94 of the Finance (No. 2) Act, 2004 so as to exclude the additional duty referred to in sub-section (5) of section 3 of the Customs Tariff Act, 1975 from the calculation of duties of customs in respect of Education Cess.

Sub-clause (c) seeks to amend section 98 of the Finance (No. 2) Act, 2004 relating to charge of securities transaction tax.

It is proposed to amend the Table below the said section which specifies the rates at which the securities transaction tax shall be charged.

The proposed amendments seek to enhance the rates of securities transaction tax from 0.075 per cent. to 0.1 per cent. in respect of the taxable securities transactions of the equity shares or units of equity oriented fund of the nature referred to in column (2) of the said Table against serial numbers 1 and 2 thereof. It is further proposed to enhance the rate of securities transaction tax from 0.015 per cent. to 0.02 per cent. in respect of the taxable securities transactions of the equity shares or units of equity oriented fund of the nature referred to in column (2) against serial number 3. It is also proposed to enhance the rate of securities transaction tax from 0.01 per cent. to 0.0133 per cent. in respect of taxable securities transactions of derivatives of the nature referred to in column (2) against serial number 4. It is also proposed to enhance the rate of securities transaction tax from 0.15 per cent. to 0.2 per cent. in respect of taxable securities transactions of the units of equity oriented fund of the nature referred to in column (2) against serial number 5.

The amendment proposed in sub-clause (c) will take effect from 1st June, 2005.

FINANCIAL MEMORANDUM

Clause 115 of the Bill seeks to amend section 2 of the Contingency Fund of India Act, 1950 so as to raise the corpus of the Contingency Fund of India from fifty crores of rupees to five hundred crores of rupees by transfer of an additional amount of four hundred and fifty crores of rupees from the Consolidated Fund of India to the Contingency Fund of India. The Bill thus involves a withdrawal of four hundred and fifty crores of rupees from the Consolidated Fund of India but the actual expenditure will be incurred only when advances are drawn from the Contingency Fund for meeting unforeseen expenditure pending authorisation by law under article 115 or article 116 of the Constitution.

No recurring expenditure is involved.

115
115
115
115

MEMORANDUM REGARDING DELEGATED LEGISLATION

Sub-clause (f) of clause 3 of the Bill seeks to insert a new clause (48) to section 2 of the Income-tax Act relating to definitions. The amendment proposed by the said sub-clause confers powers upon the Central Government to specify 'zero coupon bond' which is proposed to be defined under that clause.

Clause 12 seeks to insert a new sub-clause (iiia) to sub-section (1) of section 36 empowering the Central Board of Direct Taxes to make rules in respect of the manner of calculation of the *pro rata* amount of discount on a zero coupon bond to be allowed in computation of the income of an infrastructure capital company or infrastructure capital fund or a public sector company issuing such bond. The expression "Zero coupon bond" is proposed to be defined in the new clause (48) of section 2.

Clause 14 seeks to insert a new clause (d) after clause (c) of the proviso to clause (5) of section 43 which, *inter alia*, defines the expression "eligible transaction" to mean any transaction which is carried out electronically on screen-based system through a stock broker or sub-broker or such other registered intermediary in accordance with the provisions of the Securities Contracts (Regulation) Act, 1956, the Securities and Exchange Board of India Act, 1992 or the Depositories Act, 1996 and the rules, regulations or bye-laws or directions issued under those Acts. It is also proposed in clause (ii) to the *Explanation* below the said clause (d) to lay down conditions with which a stock exchange is to be notified as a recognised stock exchange under the provisions of the Securities Contracts (Regulation) Act, 1956, by the Central Government.

Clause 37 seeks to insert a new Chapter XII-H in the Act. The provisions of the said Chapter deal with charge of fringe benefit tax, fringe benefits, value of fringe benefits, etc. Sub-section (1) of section 115WD of the said new Chapter seeks to empower the Central Board of Direct Taxes to prescribe a format of furnishing a return of fringe benefits and the manner of verification and the particulars with which such return is to be furnished. Sub-section (1) of the proposed section 115WH seeks to empower the Central Board of Direct Taxes to prescribe the return of fringe benefits for the purposes of reassessment and the manner of verification and the particulars with which such return is to be furnished.

Clause 40 seeks to amend section 139 of the Act which deals with return of income. It has been provided that every person being an individual or a Hindu undivided family or an association of persons or a body of individual or an artificial juridical person shall furnish a return of

income if the total income of such person before giving effect to provision of sections 10A, 10B and Chapter VIA exceeds the maximum amount not chargeable to tax. Clause 40 seeks to empower the Central Board of Direct Taxes to prescribe the format for furnishing the said return and the manner in which the same may be verified.

Clause 49 seeks to empower the Central Board of Direct Taxes to prescribe the format of declaration to be produced by a person being a sub-contractor owning not more than two goods carriages at any time during the previous year to the person responsible for paying any sum to him during the course of business of plying, hiring or leasing of goods carriages and also the format to be furnished to the income tax authority by the person responsible for paying any sum to the sub-contractor and the manner and the particulars as may be contained in such format.

Clause 52 seeks to empower the Central Board of Direct Taxes to prescribe the format of furnishing of quarterly return by any banking company or co-operative society or public company in respect of payment of interest not exceeding five thousand rupees and no deduction of tax at source was made, to a resident and to prescribe the income-tax authority and the manner and particulars as may be contained in such format. The said clause further seeks to give power to the Central Government to notify any resident responsible for paying any income liable for deduction of tax at source to deliver quarterly return in the manner and the particulars as may be contained in such format.

Clause 88 of the Bill seeks to amend the Finance Act, 1994. Sub-clause (d) seeks to amend sub-section (2) of section 69 of the said Finance Act so as to empower the Central Government to make rules to prescribe the time, manner for and form of, registration under sub-section (2) of that section. Sub-clause (e) seeks to amend sub-section (2) of section 70 to which empowers the Central Government to make rules to prescribe the form, manner and frequency in which the person or class of persons notified under by sub-section of that section.

Clause 89 of the Bill seeks to amend clause (h) of section 2 of the Central Sales Tax Act, 1956. Proviso to said section empowers the Central Government to make rules to prescribe the manner of determination of the sale price and the deduction from the total consideration for a works contact under that proviso.

Chapter VII of the Bill provides for levy of tax on the taxable banking transactions, entered with a scheduled bank. Such tax shall be collected by the scheduled bank and paid to the credit of the Central Government.

Clause 98 of the Bill provides for filing of return by the scheduled bank in respect of the Banking Cash Transaction Tax, within the prescribed time, in the prescribed form and manner, setting forth such particulars as may be prescribed.

It is proposed to empower the Central Board of Direct Taxes to specify by rules made by it (a) the time limit, within which the return shall be furnished, (b) the form and manner in which the shall be furnished and verified, (c) the particulars to be furnished with the return.

Clause 99 provides that where any amount is refunded to the scheduled bank, the same shall be retunded to the concerned person from whom such amount was collected, within the prescribed time.

It is proposed to empower the Central Board of Direct Taxes to specify by rules the time limit within the scheduled bank shall refund any amount to the concerned person from whom the same was collected.

Clause 107 of the Bill provides that an assessee if aggrieved by any order of the assessing officer, may file an appeal to the Commission of Income-tax (Appeals) in the prescribed form and verified in the prescribed manner.

It is proposed to empower the Central Board of Direct Taxes to specify by rules the form and manner in which appeal to the Commissioner of Income-tax (Appeals) shall be made and verified.

Clause 108 provides for filing of appeal to the Appellate Tribunal by the assessee or, as the case may be, by the assessing officer in the prescribed form and verified in the prescribed manner.

It is proposed to empower the Central Board of Direct Taxes to specify by rules the format in which such appeal shall be made and the manner in which the same may be verified.

It is proposed to confer power upon the Central Board of Direct Taxes to make rules for carrying out the provisions of the said Chapter VII.

The matters in respect of which notification may be issued or rules may be made in accordance with the aforesaid provisions of the Bill are matters of procedure and detail and it is not practicable to provide for them in the Bill itself.

The delegation of legislative power is, therefore, of a normal character.

G. C. MALHOTRA,
Secretary-General.